



# Gender Pay Report

**2018**

**Prepared in accordance with the Equalities Act 2010  
(Gender Pay Gap Information) Regulations 2017**

**May 2018**



## **EQUALITIES ACT 2010 (Gender Pay Gap Information) Regulations 2017**

### **1. Introduction**

Gender pay gap reports are an important milestone as we develop the evidence base on pay equality. The Isle of Wight NHS Trust is committed to promoting equality for all staff and we view Gender pay gap reporting as an invaluable tool to understand our workforce and consider the best strategies for improvement.

### **2. Gender pay gap reporting legal obligation**

There are two sets of regulations which place mandatory gender pay gap reporting obligations on all employers. The regulations that apply to NHS organisations are:

- From 31 March 2017 any public sector organisation that has 250 or more employees must publish and report specific figures about their gender pay gap.
- The gender pay gap is the difference between the average earnings of men and women, expressed relative to men's earnings. For example, 'women earn 15% less than men per hour'.

Employers must both:

- publish their gender pay gap data and a written statement on their public-facing website.
- report their data to government online - using the gender pay gap reporting service.

This obligation is governed under the statutory provision found in The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.

### **3. What is the Difference between gender pay gap and Equal pay?**

The gender pay gap differs from 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.
- **The gender pay gap** shows the differences in the **average pay between men and women**. If a workplace 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. In some cases, the gender pay gap may include unlawful inequality in pay but this is not necessarily the case.

### 3.1 Gender pay reporting and gender identity

As a large employer with a diverse workforce the Isle of Wight NHS Trust is sensitive to how an employee chooses to self-identify in terms of their gender. The regulations do not define the terms 'male' and 'female' and the requirement to report gender pay should not result in employees being singled out and questioned about their gender.

The data provided for this report has been taken from the Trust's employee record and uses data provided to us by our employees.

In cases where the employee does not self-identify as either gender, an employer may omit the individual from the calculations.

### 4. 'Gender Pay Gap – Data and Analysis'

In order for the Isle of Wight NHS Trust to comply with their obligation two types of averages have been calculated:

- A **mean** average which involves adding up all of the salaries of everyone the Trust employs and dividing the result by the number of staff we employ.
- A **median** is an average which involves listing all of the numbers in numerical order. If there is an odd number of results, the median average is the middle number. If there is an even number of results, the median will be the mean of the two central numbers.

Looking at the data in this way gives the Trust an overall picture of the pay gap between men and women.

**Table 1 Gender Pay Gap Summary as at 31<sup>st</sup> March 2017**

Gender	Avg. Hourly Rate	Median Hourly Rate
Male	18.27	14.06
Female	14.78	13.45
Difference	3.48	0.61
Pay Gap %	19.07	4.32

The overall pay difference is at 19% higher for men than women within the Trust.

## Key points

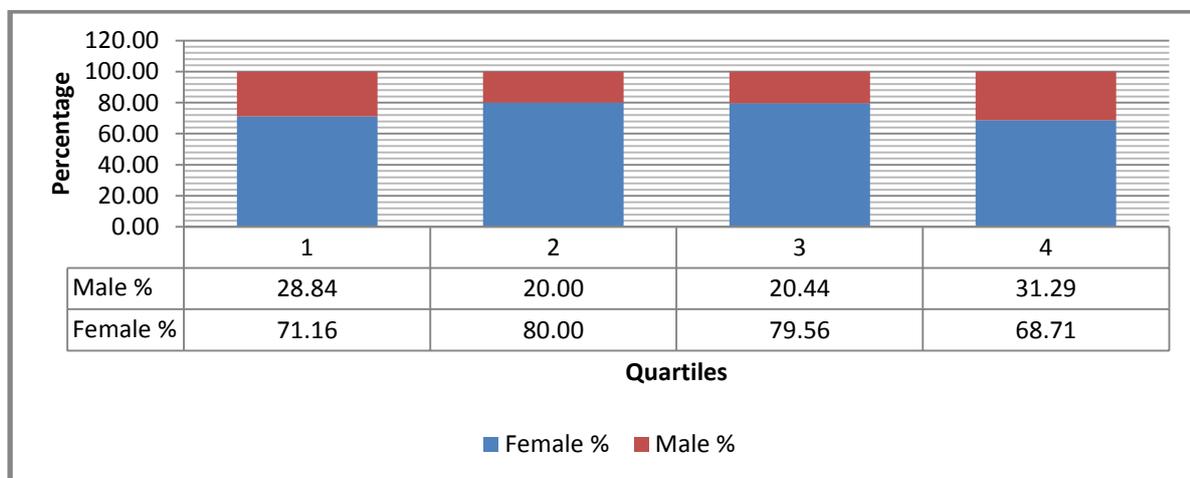
- The median hourly rate of pay is calculated from a specific pay period, in this case it is March 2017. The median rate is calculated by selecting the average hourly rate at the mid-point for each gender group.

### 4.1 The averages are separated into quartile bands:

This calculation requires the Isle of Wight NHS Trust to show the proportions of male and female full-pay relevant employees in four quartile pay bands, which is done by dividing the workforce into four equal parts. These quartile pay bands are established when making the calculation, so any other pay banding used in a workplace must not be used

The Isle of Wight NHS Trust employed approximately a workforce ratio of one third male and two thirds female in quarters 1 and 4 whereas in quarters 2 and 3 the ratio was nearer one fifth male and four fifths female.

**Graph 1 Gender Pay by Quartiles as at 31<sup>st</sup> March 2017**



### Key Points:

- In order to create the quartile information all staff are sorted by their hourly rate of pay, this list is then split into 4 equal parts (where possible).
- The highest variances for the quartiles when compared to the overall Trust value are in the lower, middle lower and middle upper all at similar values.
- There is a higher proportion of female staff in the lower quartile; included in this quartile are admin & ancillary staff groups that have a higher proportion of female staff which is reflected in the calculation.
- The upper quartile has a lower difference with just under 68% of the workforce female staff.

## 4.2 Gender Pay Gap – Bonus

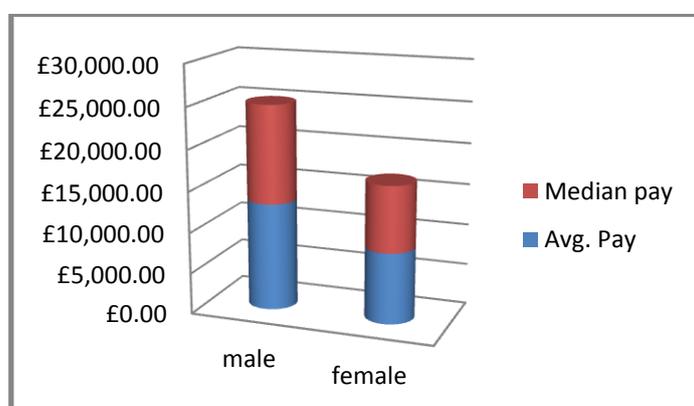
This indicator applies to our medical workforce who receive a Clinical Excellence Award (CEA) which, for the purpose of Gender Pay Reporting is classified as bonus pay. CEA's are awarded as a result of recognition of excellent practice over and above contractual requirements. Applications are scored independently by a multi-disciplinary panel to eliminate the risk of gender bias.

The Trust appreciates that this group has a significantly different gender split when compared to the Trust as a whole. Of our medical workforce, 0.38% of females receive an CEA award, compared with 3.86% of men.

**Table 4 Gender Pay Gap – Summary of Bonuses as at 31<sup>st</sup> March 2017**

Gender	Avg. Pay	Median Pay
Male	£13,092.45	£11,934.30
Female	£8,639.42	£8,033.79
Difference	4,453.03	3,900.52
Pay Gap %	34.01	32.68

**Graph 2 Gender Pay Gap – Summary of Bonuses as at 31<sup>st</sup> March 2017**



## Key Points:

- This calculation expresses the number of staff receiving bonus pay as a percentage of the total number of staff in each gender group.
- Only certain medical staff receive pay that is classified as bonus pay. This group has a significantly different gender split when compared to the Trust as a whole.
- The percentage variance for the median bonus is 33%. While this seems high, the staff group identified in this section only has 45 staff eligible 35 male and 10 female. The pay elements that are used in this calculation are awarded as a result of recognition of excellent practice over and above contractual requirements and have no gender bias. As such, the relevance of this indicator is less significant for our organisation.
- The average hourly rate of pay is calculated from a specific pay period, in this case it is March 2017. The hourly rate is calculated for each employee based on 'ordinary pay' which includes basic pay, allowances and shift premium pay.

In conclusion although the difference between men and women's pay is fairly low the significant issue is that of the proportion of men to women working for the Trust illustrates that women are seemingly working in the lower quartiles and men at the higher end of the highest quartile. We believe this is a similar position to many other NHS Trusts but it will need further exploration to understand how to improve the gap.

## 5. Action plan

The Isle of Wight NHS Trust is committed to reducing any unjustified gap in pay between men and women. In the first year of reporting the Isle of Wight NHS Trust will consider improvement under two main headings – (1) family responsibilities and (2) occupational trends. The reason for choosing these is based on academic research into gender pay gap which has found both factors as prevalent in understanding gender pay gaps<sup>1</sup>.

5.1 The data contained in this first Gender Pay Gap Report, is at an organisation level. During 2018/19 the Trust will undertake a detailed analysis of the data so the Trust Board can be assured that gender pay gaps are identified by staff group and are being addressed.

Research suggests that the 5 key work areas where women are employed are Cleaning, Catering, caring roles, cashiers and clerical work. It would be advantageous to break our statistics down to compare whether the demographic of the Trust is in line with the general census if this is the case

### **What we will do:**

- Undertake a detailed analysis of the data by professional group; once gathered
- Identify any career and development training trends.

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<sup>1</sup> European Commission Expert Group and Employment, 'Gender Segregation in the labour market, Root causes, implications and policy responses in the EU'[2009]: Hook J et al, 'Reproducing Occupational inequality, Motherhood and occupational segregation [2016] Social politics v23 p329

- Investigate the viability of a career development course in line with high performing leader from band 6 as this will in turn allow for a larger proportion of already settled staff to move up the bands and less transience within the work place

5.2 **Retention** of staff is a significant challenge for the Trust. The statistics illustrate that whilst 75% of our workforce is female, they are earning less than men. One reason for this could be that women are leaving the Trust earlier than men; women who return from maternity leave tend to return on fewer hours. Therefore females are not remaining in the Trust employment long-term in order to benefit from the annual pay increments.

**What we will do:**

- We will undertake some targeted exit interview with women who have left or are leaving the Trust.

#### **5.4 Family responsibilities**

Statistics have shown within private sector organisations that the ratio of women returning to work after maternity leave is significantly low. It has found the reason for such a decline is due to new priorities within their life which are difficult to reconcile.

**What we will do:**

- We will explore piloting a life coaching course for both pregnant women and post pregnancy women in order to offer a positive setting to return to work.
- Other positive considerations would be to actively promote through our communications team and induction.
- We will review our flexible working policy and support line managers to consider a more flexible way of using their workforce, if it means retaining people.
- Child care salary sacrifice scheme we will work with our on-site Day Nursery to explore staff discounts and discussing extended hours to allow for parents to drop children off before their shift starts with the nursery providers would generate an appeal to work within the Trust.

#### **6. Board Level Approval**

I confirm that the information contained in this report is accurate.

Authorised on behalf of the Isle of Wight NHS Trust Board

Signed:

Julie Pennycook, Director of Human Resource and Organisational Development  
14<sup>th</sup> May 2018