

TRUST BOARD REPORT

Title:	Gender Pay Report
Date of meeting:	27 th March 2018
Summary of paper:	<p>Gender Pay Gap (GPG) legislation requires all employers of 250 or more employees to publish their gender pay gap. This is the first such report produced since this requirement was introduced, and summarises the GPG in Lewisham and Greenwich.</p> <p>Further consideration will be given through the Equalities Steering Committee as to action required as part of the Trust's wider equality work.</p>
Recommendations/decisions required:	For information.
Link to strategic objectives:	<ul style="list-style-type: none"> • Provide consistently safe, high quality, patient focused services • Create a strong, unified, sustainable and well governed organisation • Strengthen and extend effective relationships with all our partners for the benefit of local people • Promote a caring workforce through good quality leadership and excellence in education • Secure the future of the organisation as a clinically-led, independent and commercially viable Foundation Trust
Link to Corporate Objectives:	Engage our workforce.
Resource Implications:	None outlined.
Regulations and legal considerations:	The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 (the "Regulations") set out a public authority's gender pay gap reporting duties, which form part of its public sector equality duty under the Equality Act 2010. Following government consultation, it became mandatory on 31 March 2017 for public sector organisations with over 250 employees to report annually on their gender pay gap (GPG).
Quality consideration and impact on patient and carers:	Supports the achievement of corporate objectives related to financial sustainability.
Consultation/Communication:	
Risk issues:	None identified.
Confidentiality:	For publication.

**Equality, Diversity
& Inclusion (EDI):**

This report is a mandatory requirement and helps to inform EDI priorities for action.

**Name of Lead
Executive Director:**

Janet Lynch, Director of Workforce and Education

Gender Pay Report

1. Introduction

Gender Pay Gap (GPG) legislation requires all employers of 250 or more employees to publish their gender pay gap. This is the first such report produced since this requirement was introduced, and summarises the GPG in Lewisham and Greenwich.

The report is based on a snapshot date of 31st March 2017 in line with the requirements. Information is sourced from the Electronic Staff Record (ESR) system, which holds employee data, and the has been submitted to the Governments Gender Pay Gap reporting portal.

Further consideration will be given through the Equalities Steering Committee as to action required as part of the Trust's wider equality work.

2. Background

The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 (the "Regulations") set out a public authority's gender pay gap reporting duties, which form part of its public sector equality duty under the Equality Act 2010. Following government consultation, it became mandatory on 31 March 2017 for public sector organisations with over 250 employees to report annually on their gender pay gap (GPG).

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 shows the difference in average pay of all men and the average pay of all women employed by the Trust. It is therefore possible to have genuine pay equality but still have a significant gender pay gap.

Generally, the average pay of women is lower than that of men and this tends to be because there are fewer women in senior high earning positions in organisations than men. Whilst a workforce may be predominantly female, if the most senior positions are taken up by men, the average pay of women in that organisation could well be lower. The Regulations have been brought in to highlight this imbalance, the aim being to enable employers to consider the reasons for any inequality within their organisation and to take steps to address it.

3. Reporting requirements and definitions

Data is required to be published on the Trust website and must be easily accessible to both staff and the public. Each set of results must remain on the website for three years. The same information must also be uploaded onto the government viewing website .

Organisations need to calculate the gross hourly rate for each of their employees and use these figures to calculate the various figures required by the Regulations. One such requirement is to show the 'mean' and 'median' pay:

- The median figure can be seen as the most representative of the average male and female employee but pay distribution and increases amongst staff are rarely even and so the median figure does not account for a concentration of high earners.
- The mean can be seen as more accurately reflecting the gender pay gap where there are more men in high paying senior positions.

Organisations must also publish details of the positioning of male and female employees according to quartile pay bands.

The Regulations state that an employee, for the purposes of the headcount, is a person who is employed by the relevant organisation on the snapshot date (each part-time or job-share individual counts as one employee for headcount purposes). Contractors and agency workers are generally not included.

There are set requirements to calculate what pay is included:

- basic pay
- full paid leave including annual, sick, maternity, paternity, adoption or parental leave
- bonus pay received in the pay period in which the snapshot date falls (pro-rated where it relates to a period longer than the pay period)
- area, on-call and other allowances such as recruitment and retention allowances
- shift premium pay
- pay for piecework.

Pay does not include:

- overtime pay
- expenses (payments made to reimburse expenditure)
- remuneration in lieu of leave
- benefits in kind (for example child care vouchers)
- redundancy pay and tax credits.

4. NHS/ Lewisham and Greenwich pay systems

The Trust uses the national job evaluation framework for Agenda for Change 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 longer period of time that someone has been in a grade the higher their salary is likely to be irrespective of their gender. There are no provisions for bonuses under Agenda for Change.

Under the national Medical & Dental terms and conditions, consultants are eligible to apply for Clinical Excellence Awards (CEA's). These awards recognise and reward doctors who demonstrate achievements in developing and delivering high quality patient care over and above the standard expected of their role. The calculations for the Trust therefore include both local and national CEA's. The Local CEA's are administered within the Trust, while national awards are determined externally and administered by the Department of Health.

5. LGT Gender Pay Report 2017

Average & Median Hourly Rates

Hourly rates substantive staff only	Avg/Mean Hourly Rate	Median Hourly Rate
Male	£24.2	£20.5
Female	£18.7	£17.3
Difference	£5.4	£3.1
Pay Gap %	22.4	15.4

Quartile	Female %	Male %
1	83.8	16.2
2	81.9	18.1
3	84.4	15.6
4	66.5	33.5

Bonus Pay substantive staff only	Avg. Mean Bonus Pay	Median bonus Pay
Male	£13,161.8	£8,950.7
Female	£10,160.5	£6,665.4
Difference	£3,001.2	£2,285.3
Pay Gap %	22.8	25.5

Bonus pay	Employees Paid Bonus	Total Relevant Employees	%
Female	46.0	5151.0	0.9
Male	88.0	1302.0	6.8

6. Next Steps

The GPG report will be developed further to include more detail, such as pay band and staff group. This will enable further discussion through the Equality Steering Committee and with staff representatives. This will include consideration of actions required as part of the Trust's wider equality work.