

## 2020 Gender Pay Gap Report

### 1. Background

- 1.1. Manchester University NHS Foundation Trust (MFT) was established on 1<sup>st</sup> October 2017 following the merger of Central Manchester University Hospitals NHS Foundation Trust (CMFT) and University Hospital of South Manchester NHS Foundation Trust (UHSM) to become the largest NHS Foundation Trust in England. MFT is responsible for running nine hospitals, across six separate sites, hosting Manchester and Trafford Local Care Organisation community services and employs over 23,000 people. This report is reflective of the third year of the new organisation.
- 1.2. MFT is committed to advancing equality and diversity. Its equality, diversity and inclusion strategy 2019-2023, *Diversity Matters*, sets out the ambition to be the best place for patient safety, quality and experience and the best place to work. Our aims are:
  - Improved patient access, safety and experience.
  - A representative and supported workforce.
  - Inclusive leadership.

### 2. Introduction

- 2.1. This report sets out the MFT Gender Pay Gap data, provides analysis of the data and explains the actions being undertaken to address the gap. The key theme from the gender pay gap is that MFT has proportionately more men in the top quartile of its workforce, 31.7% of the top quartile are men compared to an overall male workforce of 20%, which is also reflected in the wider NHS.
- 2.2. This results in a mean gender pay gap of 25.51%. It is of note that the median average reflects a smaller pay gap, 13.75%. This is because the nature of the calculation means that outliers (a disproportionate number of men in the upper pay quartile) are deducted.
- 2.3. This report includes:
  - An overview of the gender pay gap reporting requirements.
  - Definitions of gender pay gap.
  - MFT gender pay gap data.

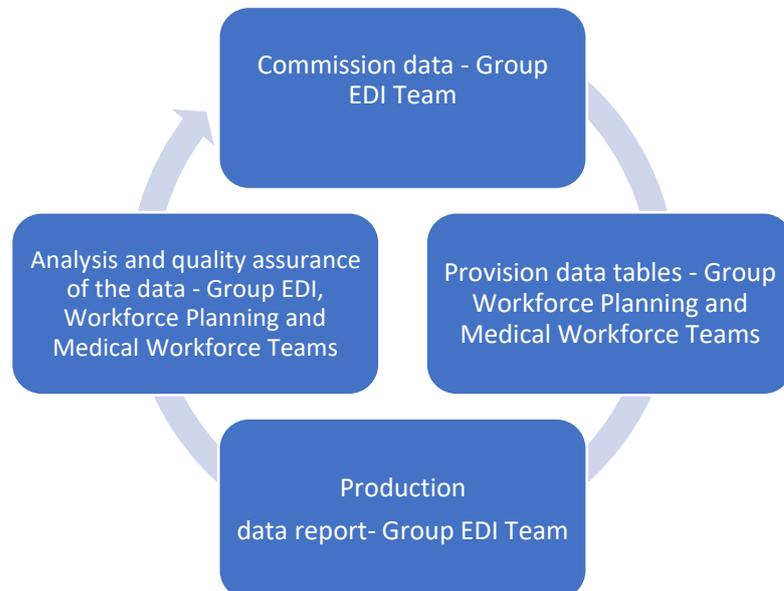
- MFT response and priority actions.

2.4. Out of scope of this report are:

- Any member of staff not on Electronic Staff Record (ESR) or staff who are not on Retention of Employment (RoE) contracts managed through Sodexo.
- Junior Doctors who are managed through the Deanery.
- North Manchester General Hospital Staff will be reported by the Northern Care Alliance.

2.5. How the report is produced

- The data sources for the Gender Pay Gap Report are Electronic Staff Records (ESR), the Trac Recruitment system and the MFT Clinical Excellence Awards (CEA) Portal.
- The production of the Report is an iterative process as illustrated in the diagram below. The process starts with commissioning the core data, which is used to compile the report. The data report is then analysed to understand the reasons for the Gender Pay Gap and identify lines of enquiry requiring further data as well as sense checking the accuracy of the data and calculations. This process of analysis, exploration and quality assurance happens multiple times before the first draft report is completed.



### 3. Overview of the Gender Pay Gap reporting requirements.

- 3.1. The Equality Act 2010 (Gender Pay Gap) Information Regulation 2017 came into force on 6<sup>th</sup> April 2017. This requires employers with 250 or more employees to report annually on the gap in pay between men and women in their organisation. Public sector organisations must publish their gender pay information by the 31st March each year using pay data from a snapshot a year before the reporting deadline. The data in this report is reflective of a snapshot taken in 2020. The data includes medical and dental local and national clinical excellence awards.
- 3.2. There are six calculations that an organisation is required to publish, which are outlined in table 1 below.

<b>Table 1: Gender Pay Gap reporting requirements.</b>	
Mean gender pay gap.	The difference between the average of men's and women's hourly pay.
Median gender pay gap.	The difference between the midpoints in the ranges of men's and women's pay. All salaries in the sample are lined up separately for men and women in order from lowest to highest, and the middle salary is used.  The figure is the difference of these two middle points.
Mean bonus gender pay gap.	The difference between the mean bonus payments made to relevant male employees and that paid to relevant female employees. For MFT this refers to local and national clinical excellence awards.
Median bonus gender pay gap.	The difference between the median bonus payments made to relevant male employees and that paid to relevant female employees. For MFT this refers to local and national clinical excellence awards.
Proportion of males and females receiving a bonus.	The proportions of relevant male and female employees who were paid a bonus payment. For MFT this refers to local and national clinical excellence awards.
Proportion of males and females in each quartile band.	The proportions of male and female relevant employees in the lower, lower middle, upper middle and upper quartile pay bands.

#### 4. Definition of the Gender Pay Gap

- 4.1. 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. Equal pay has been a statutory entitlement since 1970, when the Equal Pay Act came into force. The Agenda for Change pay system was introduced in October 2004 to ensure that pay in the NHS was consistent with the requirements of equal pay law.
- 4.2. The gender pay gap shows the differences in the average pay between men and women working in the same organisation albeit in different jobs. It is calculated between the mean (average) and the median (the mid value of a range of values) earnings of men and women expressed as a percentage of men's earnings. A positive value indicates that the average pay for men is greater than for women, whereas a negative value would indicate the opposite.
- 4.3. The Nuffield Trust analysis of the overall gender pay gap in the NHS shows that, 'The gender pay gap across the 88% of staff paid according to Agenda for Change pay bands is 3.9% in favour of women. However, the gender pay gap within the highest pay bands is in favour of men. These bands have a disproportionately high number of men. The overall pay gap across all non-Agenda for Change staff (in general, doctors and very senior managers) is 47% in favour of men.' (Nuffield Trust, 2019).

#### 5. MFT Gender Pay Gap Data

- 5.1. MFT gender pay gap data is set out in table 2 below for the calculations that an organisation is required to publish. Table 2 also compares the MFT Gender Pay Gap data from April 2019 with April 2020.

<b>Table 2: MFT's gender pay gap data.</b>		
	<b>MFT 2019</b>	<b>MFT 2020</b>
Mean gender pay gap.	27.99%	25.51%
Median gender pay gap.	13.62%	13.75%
Mean bonus gender pay gap.	29.50%	25.47%

Median bonus gender pay gap.	33.33%	33.33%
Proportion of males and females receiving a bonus.	Male –5.37 % Female –0.64 %	Male – 4.69% Female – 0.61%

5.2. Analysis of MFT gender pay gap identifies:

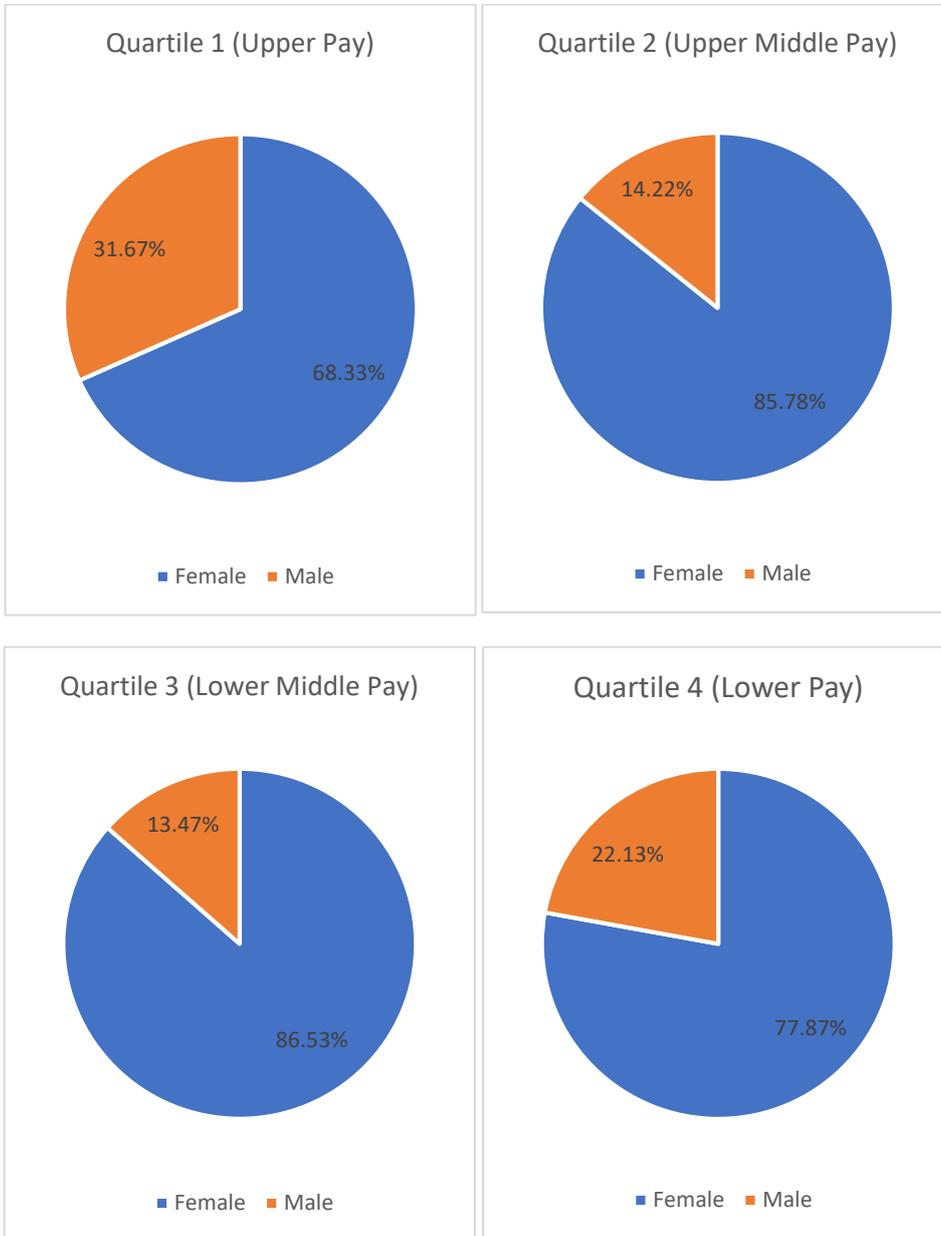
- There has been a reduction in the mean gender pay gap of 2.48% compared to the previous year. This reduction can be explained by the Trust’s acquisition of Trafford Community Services within the last financial year. This has seen an increase in employees with an average gender pay gap of -6.89% in favour of women at Trafford LCO, which has contributed to a reduction for the Trust overall.
- The median gender pay gap has seen little change. The Median is affected by pay increments. For the Median to change significantly there would need to be a step up on the incremental pay scale. There are now fewer steps, therefore it takes several years to progress through the increments.
- The difference in the MFT mean and median gender pay gap data is that the median allows for outliers to be deducted from the calculation, which for MFT would be a small number of highly paid male medical professionals.

**6. The profile of MFT workforce by gender**

6.1. There has been no significant change to the profile of the quartiles at MFT in the last year. At MFT women make up 80% of the workforce and men make up 20%. When considering the quartiles men are more represented in quartiles 1 (Upper pay) and 4 (Lower pay), this includes the medical workforce.

1. <https://www.nuffieldtrust.org.uk/research/the-gender-pay-gap-in-the-english-nhs-analysis-of-some-of-the-underlying-causes>

## MFT Workforce by quartile profile



- 6.2. Table 3 below shows MFT workforce by gender over the last three years. The data shows that the workforce has remained 80% representative of women and 20% representative of men consistently for the last three years.

<b>Table 3: MFT Workforce by Gender 2017-2020</b>						
<b>Gender</b>	<b>2017-2018</b>		<b>2018-2019</b>		<b>2019-2020</b>	
	Actual	%	Actual	%	Actual	%
<b>Male</b>	4,241	20.4%	4,498	19.9%	4,923	20.4%
<b>Female</b>	16,591	79.6%	18,194	80.1%	19,193	79.6%

- 6.3. Table 4 below shows the analysis of the AfC applications and the success rate of candidates by gender for the last 12 months. The data shows that significantly more women apply to the Trust's AfC positions than men, and that women are slightly more likely to be appointed from shortlisting ( $0.16/0.19 = 0.84$ ). A score of less than one means that female applicants are more likely to be appointed from shortlisting.

<b>Table 4: Analysis of the AfC applications and success rate by gender for 12 month period Nov-19 to Oct-20</b>					
<b>Gender</b>	<b>Applications %</b>	<b>Shortlisted from application</b>	<b>Interviewed from shortlisted %</b>	<b>Appointed from shortlisted %</b>	<b>Likelihood of appointment from shortlisting</b>
<b>Male</b>	26.89%	20.32%	17.24%	17.57%	0.16
<b>Female</b>	72.62%	79.18%	82.46%	82.14%	0.19
<b>I do not wish to disclose this</b>	0.49%	0.50%	0.30%	0.29%	0.10
<b>Total</b>	100%				0.84

## **7. Impact of the Medical and Dental Workforce on MFT Gender Pay Gap**

- 7.1. To explore the impact of the medical and dental workforce on the gender pay gap, analysis has been undertaken to remove the medical and dental workforce from the data set; male consultants make up 60% of the consultant workforce. Table 5 on the next page outlines the MFT gender pay gap data without the medical and dental workforce, which improves the gender pay gap from 25.51% to 3.55%.

- 7.2. The median pay gap improves further as the outliers, the higher paid non-medical staff are deducted by the nature of the calculation.

**Table 5: MFT Gender Pay Gap excluding the medical and dental workforce.**

	MFT	MFT Excluding Medical & Dental Workforce
<b>Mean gender pay gap.</b>	25.51%	3.55%
<b>Median gender pay gap.</b>	13.75%	-0.51%

- 7.3. Table 6 below outlines the MFT consultant workforce by gender over the last three years. The data shows that the number of female consultants at MFT has increased from 416 to 495 over the three year period 2017 to 2020. However, the proportion of female consultants in the workforce has remained similar over the three years at 38%/40% because the number of male consultants has increased from 656 to 743.

**Table 6: MFT Consultant Workforce by Gender 2017-2020**

	2017-2018		2018-2019		2019-2020	
	Actual	%	Actual	%	Actual	%
<b>Male</b>	656	61.2%	730	61.6%	743	60.0%
<b>Female</b>	416	38.8%	455	38.4%	495	40.0%

- 7.4. Table 7 below outlines an analysis of consultant success rates of being appointed from shortlisting by gender over the last 12 months. The data shows that in contrast to the AfC application rate data demonstrated in table 4, men are significantly more likely to apply for consultant positions at MFT, with three in four applications being from men. Women are however slightly more likely to be appointed from shortlisting than men ( $0.48/0.51 = 0.94$ ). A score of less than one means that female applicants are more likely to be appointed from shortlisting.

<b>Table 7: MFT Consultant applications and success rates by gender over the last 12 months</b>					
<b>Gender</b>	<b>Applications %</b>	<b>Shortlisted from application %</b>	<b>Interviewed from shortlisted %</b>	<b>Appointed from shortlisted %</b>	<b>Likelihood of appointment from shortlisting</b>
<b>Male</b>	72.99%	63.44%	62.86%	62.64%	0.48
<b>Female</b>	26.20%	36.02%	36.19%	37.36%	0.51
<b>I do not wish to disclose this</b>	0.80%	0.54%	0.95%	0.00%	0.00
<b>Total</b>	100%				0.94

## 8. Local Clinical Excellence Awards

- 8.1. It should be noted that the national clinical excellence pay awards, which have a substantial remuneration reward are subject to process which sits outside of MFT control. Table 8 below outlines the analysis of applications and success rates for local Clinical Excellence Award's (LCEA) by gender at MFT during 2019/20.

<b>Table 8: The relative likelihood of male consultants applying/successful for a LCEA award compared to female consultants.</b>						
<b>Category</b>	<b>Number of consultants</b>	<b>Number applied for LCEA</b>	<b>Number successful</b>	<b>Number unsuccessful</b>	<b>Likelihood of applications</b>	<b>Likelihood of successful application</b>
<b>Male</b>	743	105	80	25	0.14	0.76
<b>Female</b>	495	87	78	9	0.18	0.89
<b>I do not wish to disclose this</b>	0	5	4	1		0.80
<b>Total</b>	1238	197	162	35	0.80	0.85

- 8.2. The relative likelihood of male consultants applying for a LCEA award compared to female consultants is 0.80 (Number applied for LCEA/number of consultants (0.14/0.18) =0.80). A score of less than one means that female consultants are more likely to apply.
- 8.3. The relative likelihood of male consultants being successful from application compared to female consultants (Number successful/number applied (0.76/0.89) = 0.85). A score of less than one means that female consultants are more likely to be successful when applying for a LCEA award than male consultants.
- 8.4. The data indicates that female consultants are more likely to apply for LCEAs relative to their number in the workforce and more likely to be successful than male consultants.

## **9. MFT Response**

- 9.1. MFT applies the national NHS pay frameworks of Agenda for Change (AfC) and conditions for medical and dental staff. This means that job descriptions are evaluated using the national job evaluation system to determine appropriate pay bandings and assure equal pay for equal roles. This system reduces the risk of any equal pay issues arising.
- 9.2. The underlying drivers of the MFT Gender Pay Gap are that there are more males in the upper pay quartile, particularly amongst the medical and dental workforce. To narrow the gender pay gap would mean increasing the proportions of females in the upper pay quartile, especially female consultants.
- 9.3. The Trust is in the process of developing its People Plan, which provides opportunity to take action to increase the gender diversity at the Trust. Actions being considered include attracting and recruiting a diverse workforce including targeted campaigns, reviewing the recruitment and assessment processes to regional and national labour markets and mitigating bias in the recruitment process. Actions under consideration also include succession planning and talent management.
- 9.4. The Trust continues to track the process and impact of the local clinical excellence awards to ensure that the awards are accessible and open to all consultants. The Trust encourages and supports applications to the national awards, but the Trust does not have a say in the decision making and does not own the data to be able to report.
- 9.5. The Trust attraction campaign is sensitive to balanced and inclusive recruitment. All Human Resources Directors have been briefed to increase awareness.