

## 2021 Gender Pay Gap Report

### 1. Background

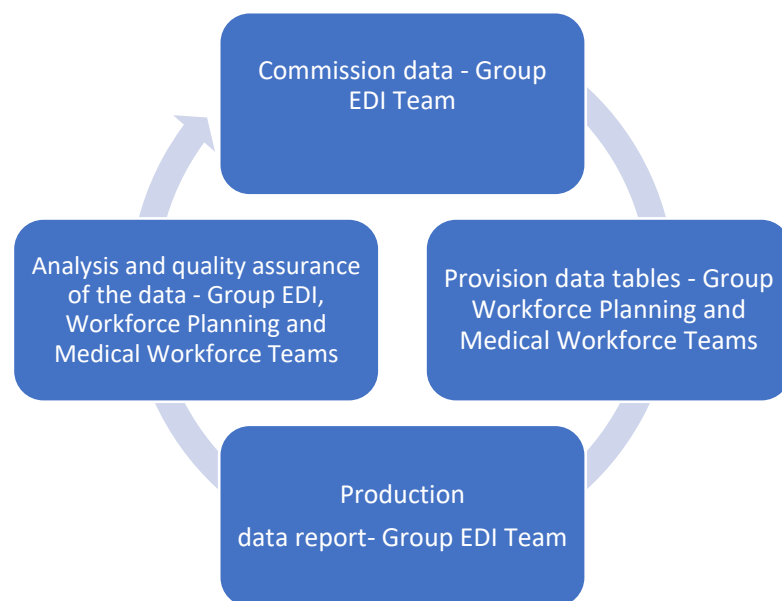
- 1.1. Manchester University NHS Foundation Trust (MFT) is one of the largest acute Trusts in England, employing over 28,000 staff. It was formed on 1<sup>st</sup> October 2017, and since then has been responsible for running a group of hospitals and community services across several separate sites, providing a wide range of services from comprehensive local general hospital care through to highly specialised regional and national services. From 1st April 2021 North Manchester General Hospital was the tenth hospital to join the Group. This report is reflective of the fourth year of the new organisation.

### 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, 32% 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 24.17%. It is of note that the median reflects a smaller pay gap, 12.25%. This is because the nature of the calculation means that outliers (a small number of highly paid men in the upper pay quartile) are deducted. Deducting the medical and dental workforce from the calculations reduces the Median Gender Pay Gap to -2.05% and the Mean Gender Pay Gap to 3.44%.
- 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.

## 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 2021. 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 overleaf.

<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.

## 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 2020 to April 2021.

<b>Table 2: MFT's gender pay gap data.</b>		
	<b>MFT 2020</b>	<b>MFT 2021</b>
Mean gender pay gap.	25.51%	24.17%
Median gender pay gap.	13.75%	12.25%
Mean bonus gender pay gap.	25.47%	30.94%
Median bonus gender pay gap.	33.33%	33.33%
Proportion of males and females receiving a bonus.	Male – 4.69% Female – 0.61%	Male-4.55% (235) Female-0.62% (123)

### 5.2. Analysis of MFT gender pay gap identifies:

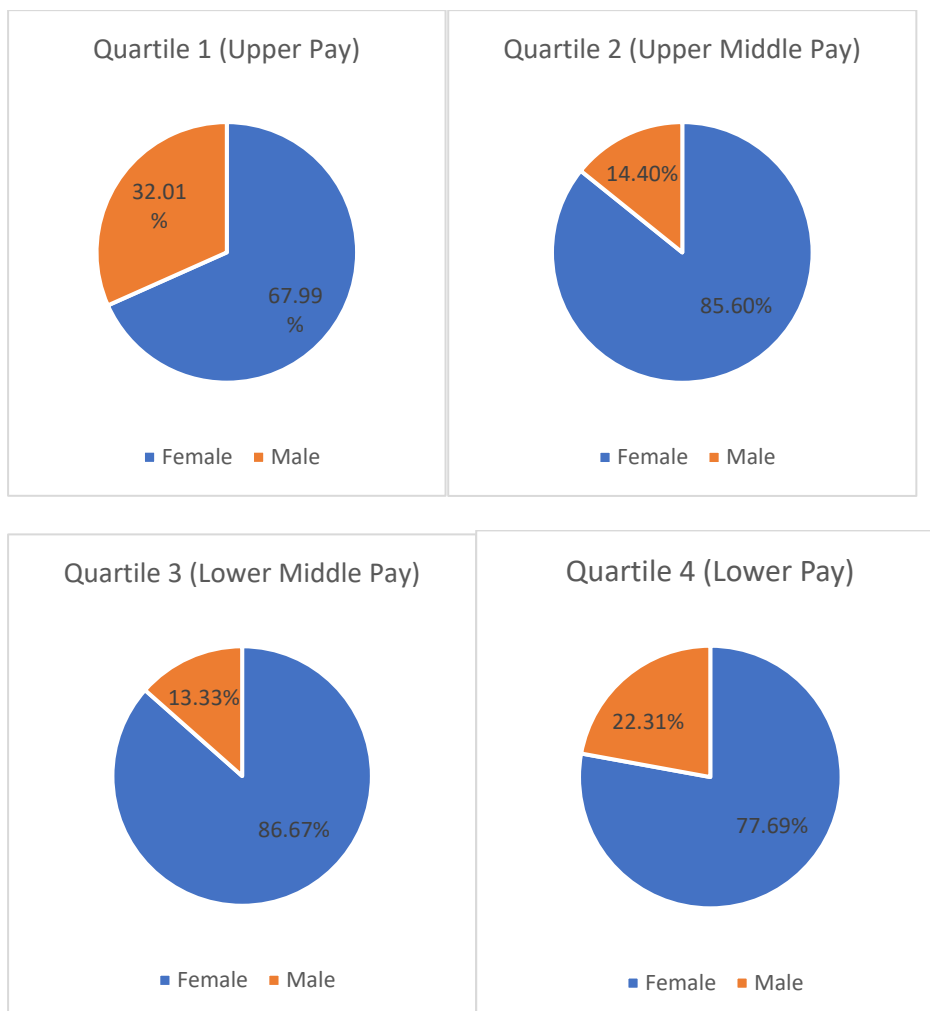
There has been a reduction in the Median Gender Pay Gap of -1.5% compared to the previous year. This can be explained by the average salary increase for women over the last 12 months which has been 3% in comparison to the slight increase for men of 0.7%. This can be attributed to projects such as the Hive which has contributed to an increase in the number of highly paid women working within the Trust. The Hive currently has 77 female and 68 male staff members (total 145), this equates to a 0% Gender Pay Gap compared to the Trust's (Median) average of 12.25%. Although Hive involves a relatively small number of staff this demonstrates the changes within the organisation which are positively impacting the gender pay gap.

The Mean Gender Pay Gap has seen a small change of 1.3%. The Mean is influenced by a small number of highly paid male medical professionals and VSM (Very Senior Manager) which negatively effects the Gender Pay Gap percentage. An example of this is the average Male salary at MFT which is £40,000 whereas some males are earning 7 times this amount. This inflates the overall gender pay gap. For the Mean to change significantly there would need to be proportionately more women in the top quartile of the workforce.

## 6. The profile of MFT workforce by gender

- 6.1. There has been a slight improvement 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.
- 6.2. The graph below illustrates the gender distribution of the workforce across four equally sized quartiles. The proportion of males and females in each quartile, from the lowest to the highest paid, is calculated by dividing the workforce into four equal parts

### MFT Workforce by quartile profile



- 6.3. Table 3 overleaf shows MFT workforce by gender over the last three years. The data shows slight change in the proportions of women and men in the workforce though staying around 20% and 80% respectively.

<b>Table 3: MFT Workforce by Gender 2017-2020</b>						
<b>Gender</b>	<b>2018-2019</b>		<b>2019-2020</b>		<b>2020-2021</b>	
	Actual	%	Actual	%	Actual	%
<b>Male</b>	4,498	19.9%	4,923	20.4%	5,767	20.6%
<b>Female</b>	18,194	80.1%	19,193	79.6%	22,350	79.4%

- 6.4. 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 (0.15/0.19 = 0.79). 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 Oct-20 to Sep-21</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>	32.57%	26.46%	22.14%	22.05%	0.15
<b>Female</b>	67.00%	73.07%	77.49%	77.62%	0.19
<b>I do not wish to disclose this</b>	0.43%	0.47%	0.36%	0.33%	0.12
<b>Total</b>	100%				0.79

## **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 (below) outlines the MFT gender pay gap data without the medical and dental workforce, which improves the mean gender pay gap from 24.17% to 3.44%.
- 7.2. The Median Gender Pay Gap has reduced by 1.5% on the previous year. 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.

<b>Table 5: MFT Gender Pay Gap excluding the medical and dental workforce.</b>		
	<b>MFT</b>	<b>MFT Excluding Medical &amp; Dental Workforce</b>
<b>Mean gender pay gap.</b>	24.17%	3.44%
<b>Median gender pay gap.</b>	12.25%	-2.05%

\* The minus figure (-2.05%) represents a trend towards higher pay for women

- 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 455 to 521 over the three-year period 2018 to 2021. However, the proportion of female consultants in the workforce has remained similar over the three years at 38.4% - 40.8% because the number of male consultants has increased from 730 to 753.

<b>Table 6: MFT Consultant Workforce by Gender 2017-2020</b>						
	<b>2018-2019</b>		<b>2019-2020</b>		<b>2020-2021</b>	
	Actual	%	Actual	%	Actual	%
<b>Male</b>	730	61.6%	743	60.0%	753	59.2%
<b>Female</b>	455	38.4%	495	40.0%	521	40.8%

- 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 (0.33/0.46 = 0.72). 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>	68.59%	61.00%	54.76%	52.63%	0.33
<b>Female</b>	30.90%	38.00%	44.05%	46.05%	0.46
<b>I do not wish to disclose this</b>	0.50%	1.00%	1.19%	1.32%	0.50
<b>Total</b>	100%				0.72

## **8. Local Clinical Excellence Awards (LCEA)**

- 8.1. In light of the ongoing effects of the pandemic, the 2021 LCEA are currently on hold, with the award money distributed equally among eligible consultants. This enabled clinicians and managers to focus on immediate priorities. The existing funding (including any money rolled over from the last two years or from award rounds that may not have been run or completed) was redistributed equally among eligible consultants as a one-off, non-consolidated payment in place of normal LCEA rounds. This has been agreed with NHS England and NHS Improvement (NHSEI) and the Department for Health and Social Care (DHSC).
- 8.2. The eligibility criteria taken from the LCEA policy is as follows
- All Consultants on national terms and conditions of service, who have at least one year service and are in a substantive post with MFT as at 1<sup>st</sup> April in the year of the particular round they apply for (locum Consultants are not eligible to apply), and who meet all additional criteria, are eligible for consideration. Consultants, who have been awarded a national award level in that particular annual round, are not eligible to apply for a local award.
  - Eligibility for an award is also dependent upon fulfilment of all contractual obligations in relation to job planning review, participation in an annual appraisal and compliance with the Trust's conduct policies and procedures.

All Consultants must also:

- Be compliant with all mandatory training by the closing date of the awards.
- Be compliant for the last three years with the Medical Appraisal Policy.
- Any Consultant, subject to a disciplinary warning by the Trust, or to a sanction issued by the GMC, will not be eligible to apply. Where such action is pending, the application will be assessed as normal, but any award would be withheld, pending the outcome of the relevant process.



- 8.3. This year's data cannot be compared with the previous year as different approaches were used to distribute the LCEA. The applications and success rates for LCEA by gender at MFT during 2021/2022 could not be collected. This is because the LCEA portal usually used to gather anonymous data on gender could not be used. Instead the award money was distributed equally amongst eligible consultants. The distribution of LCEA awards reflects the gender profile of the consultant body at MFT which is majority males at 59.2% compared to 40.8% female.

## **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. It should be noted that women at MFT are more likely than men to be appointed to Consultant posts (1.39%). This implies that the number of females in the upper pay quartiles is progressively improving each year, which will support the Trust in narrowing the Gender Pay Gap.
- 9.4. The Trust has launched its People Plan, which provides opportunity to take action to increase the gender diversity at the Trust. This includes 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. It also includes succession planning and talent management.
- 9.5. 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.
- 9.6. The Trust attraction campaign is sensitive to balanced and inclusive recruitment. All Human Resources Directors have been briefed to increase awareness.