

Meeting of the BSW CCG Governing Body Meeting

Report Summary Sheet

Report Title	Gender Pay Gap Report						Agenda item	10b
Date of meeting	19 May 2022							
Purpose	Approve	x	Discuss		Inform	x	Assure	
Executive lead, contact for enquiries	Alison Kingscott and Sheridan Flavin, Interim BSW Executive Director for People and Organisational Development							
This report concerns	BSW CCG	x	BaNES locality		Swindon locality		Wiltshire locality	
This report was reviewed by	Alison Kingscott and Sheridan Flavin, Interim Executive Directors for People and Organisational Development							
Executive summary	<ul style="list-style-type: none"> This report provides BSW CCG's statutory disclosure on the gender pay gap. It includes figures as of 31 March 2021 that had to be reported by 30th March 2022. <p>The statutory information is required in 6 areas:</p> <ol style="list-style-type: none"> Average gender pay gap as a mean average Average gender pay gap as a median average Proportion of men and women when divided into 4 groups ordered from lowest to highest pay Average bonus gender pay gap as a mean average Average bonus gender pay gap as a median average Proportion of men receiving a bonus payment and proportion of women receiving a bonus payment <p>BSW CCG does not pay bonus payments so this report focusses on the first three statutory elements.</p> <ul style="list-style-type: none"> An analysis of the gender pay gap report is presented looking at the mean and median gender pay gap, and the proportion of males and females in each quartile pay band. In this organisation, women earn 71p for every £1 that men earn when comparing median hourly pay, a gap of 28.7%. When comparing mean (average) hourly pay, women's hourly pay is 35.7% lower than men's. A narrative is provided for the results of the mean and median gender pay, and the proportion of males and females in each 							

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	<p>quartile pay band, to explain the possible reasons for the pay gap within each of these areas, and to discuss what the data means to BSW CCG.</p> <ul style="list-style-type: none"> • Further analysis by pay band is presented as a deep dive analysis to explain the factors that have the biggest impact on the gender pay gap. 								
Equality Impact Assessment	<p>This report will not adversely affect any employee with a protected characteristic. However, the report highlights the gap between male and female pay & should be used to inform actions that will reduce that gap and, by doing so, improve the situation for employees with a protected characteristic.</p>								
Public and patient engagement	N/A								
Recommendation(s)	<ol style="list-style-type: none"> 1. The Governing Body is asked to review and note the information contained within the BSW CCG Gender Pay Gap Report 2021. 2. Governing Body is asked to support, where necessary, with the implementation of the actions stated within the report aimed at reducing our gender pay gap. 								
Link to Board Assurance Framework or High-level Risk(s)	<ol style="list-style-type: none"> 5. Preparing to become a Strategic Commissioner in the context of the developing ICS - Workforce Elements: <ul style="list-style-type: none"> - Develop and implement a People Strategy for BSW CCG - Drive colleague satisfaction and engagement 								
Risk (associated with the proposal / recommendation)	High		Medium		Low	x		N/A	
Key risks	<ul style="list-style-type: none"> • Non-compliance with statutory requirements (Public Sector Equality Duty). • Reputational – failure to reduce the gender pay gap could put us at a disadvantage when workforce is a key enabler. 								
Impact on quality	A more inclusive and diverse workforce impacts positively on the quality of services provided								
Impact on finance	N/A								
	Finance sign-off: N/A								
Conflicts of interest	1. N/A								

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This report supports the delivery of the following CCG's strategic objectives:	<input type="checkbox"/> BSW approach to resetting the system <input type="checkbox"/> Realising the benefits of merger <input checked="" type="checkbox"/> Improving patient quality and safety <input checked="" type="checkbox"/> Ensuring financial sustainability <input checked="" type="checkbox"/> Preparing to become a strategic commissioner		
This report supports the delivery of the following BSW System Priorities:	<input checked="" type="checkbox"/> Improving the Health and Wellbeing of Our Population <input type="checkbox"/> Developing Sustainable Communities <input type="checkbox"/> Sustainable Secondary Care Services <input type="checkbox"/> Transforming Care Across BSW <input type="checkbox"/> Creating Strong Networks of Health and Care Professionals to Deliver the NHS Long Term Plan and BSW's Operational Plan		

1. What is the gender pay gap?

The **gender pay gap**...

...is the difference between the average earnings of men and women, expressed relative to men's earnings.

The **mean pay gap**...

...is the difference between average hourly earnings of men and women.

The **median pay gap**...

...is the difference between the midpoints in the ranges of hourly earnings for men and women.

2. What about equal pay?

Equal pay deals with the pay differences between men and women who carry out the same or similar jobs. It has been a statutory entitlement since the Equal Pay Act was introduced in 1970.

Paying men and women differently for the same or like work is unlawful, however it is possible to have pay equality at the same time as having a gender pay gap.

The gender pay gap differs from equal pay as it is concerned with the differences in the average pay between men and women over a period of time no matter what their role is.

Gender pay gap analysis does not look at whether there are differences in pay for men and women in equivalent posts. Neither does it take into consideration the differences in the numbers of people in each role. Therefore, results will be affected by differences in the gender composition of different professional groups and job grades.

The national NHS terms and conditions 'Agenda for Change' pay system introduced in October 2004 ensures that pay in the NHS is consistent with the requirements of equal pay law. 87.74% (372 colleagues) of the workforce are employed on Agenda for Change terms and conditions, with pay bands ranging from band 2 (lowest) to band 9.

Beyond Band 9, the framework for the remuneration of Very Senior Managers (VSM) is set by the Department of Health, through the VSM Pay Framework. At BSW the remaining 12.26% (52) of the workforce is covered by either the NHS Very Senior Managers contract, or local terms and conditions developed for Clinical Leads which also adhere to the principles of equal pay.

3. Gender Pay Gap Reporting Requirements

Gender Pay Gap reporting is a requirement for all organisations with more than 250 staff.

The specific requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 are to publish information for six specific measures (calculations).

- a) Average gender pay gap as a mean average
- b) Average gender pay gap as a median average
- c) Proportion of men and women when divided into four groups ordered from lowest to highest pay

- d) Average bonus gender pay gap as a mean average
- e) Average bonus gender pay gap as a median average
- f) Proportion of men receiving a bonus payment and proportion of women receiving a bonus payment

Bonus payments are not paid to BSW colleagues and therefore we have not presented any information for these measures (d, e, f).

4. Our Gender Pay Gap 2021

This is our first Gender Pay Gap Report. BSW CCG was established on 1st April 2020, and we collected our data on 31st March 2021 (the snapshot date) for the reporting period 2021/22.

On 31st March 2021 our workforce consisted of 344 women (81.13%) and 80 men (18.87%) 424 in total.



In common with the NHS as a whole, our workforce is predominantly female. Given 81% of our colleagues are women, it is also the case that women outnumber men in every quartile.

The NHS workforce (circa 1.3 million staff) is made up of 77% women and 23% men. The female composition of the BSW workforce is higher than the composition of the overall NHS workforce and lower in respect of men.

A summary of our Gender Pay Gap is provided below.

BSW recognises that we have a gender pay gap.

Based on the Government’s calculation methodology, we have a mean gender pay gap of 35.74% and a median gender pay gap of 28.74%.

This means that our average male salary (mean or median) is higher than our average female salary.

Women earn 71p for every £1 that men earn when comparing median hourly pay. Their median hourly pay is 28.74% lower than men’s.

	Women’s earnings are:
Mean gender pay gap in hourly pay	35.74% lower
Median gender pay gap in hourly pay	28.74% lower
Women earn 71p for every £1 earned by men	

Gender	Mean	Median
Male hourly rate	£35.91	£27.19
Female hourly rate	£23.07	£19.38
Difference (hourly rate)	£12.83	£7.81
Pay Gap %	35.74%	28.74%

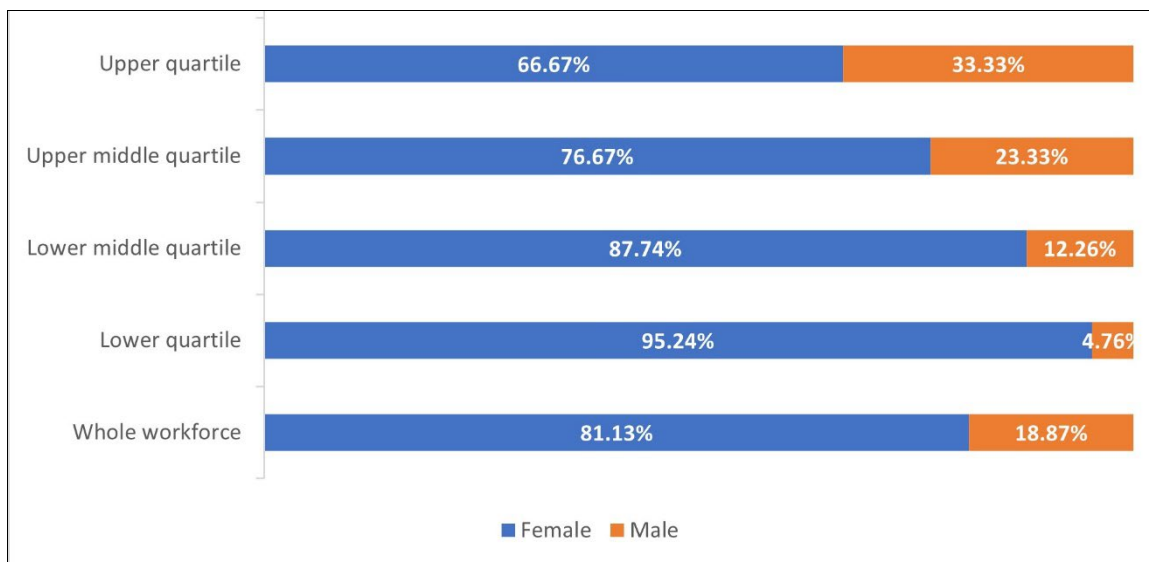
Summary of South West CCGs for Comparison

Organisation	Mean Gap %	Median Gap %
NHS BSW CCG	35.7	28.7
NHS Devon CCG	29.2	26.7
NHS Gloucestershire CCG	21.1	13.5
NHS Kernow CCG	13.1	0.1
NHS Somerset CCG	33.6	17.2
Bristol, N Somerset & S Gloucs CCG	21.3	15.0
NHS Dorset CCG	13.6	7.3

Proportion of men and women in each pay quartile (%)

Calculated by ranking all employees from highest to lowest paid, dividing the workforce into four numerically equal parts ('quartiles') and working out the percentage of men and women in each of the four parts.

Women occupy 95.24% of the lowest paid jobs and 66.67% of the highest paid jobs.

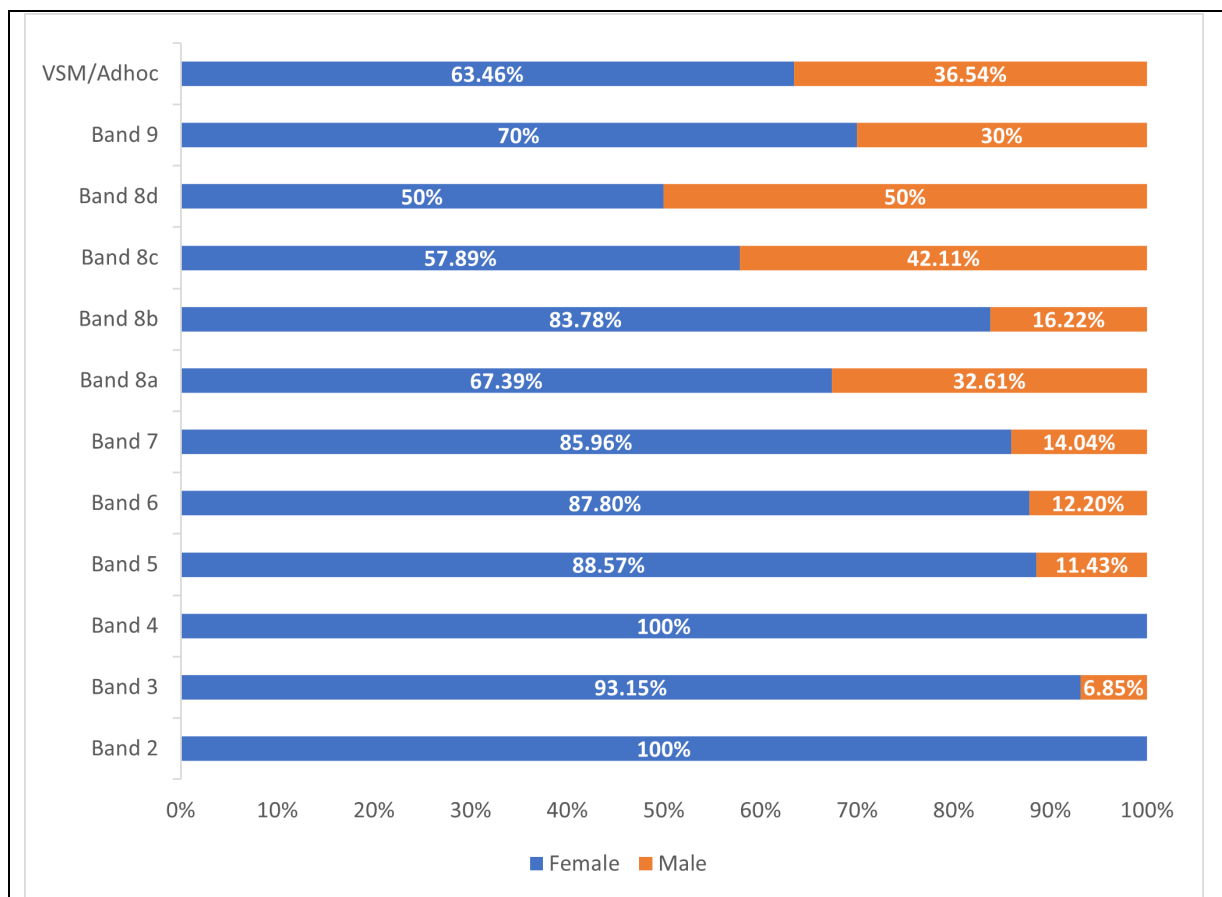


Women outnumber men in every quartile. They are overrepresented against the % composition of women in the workforce in the lower and lower middle quartiles, and slightly underrepresented in the upper middle quartile. By the time you reach the upper quartile, there is a higher level of underrepresentation at just 66.67% against the 81% composition of women in the BSW workforce.

The % representation of women decreases as you move through the pay quartiles. This distribution is a key factor contributing to our mean and median pay gaps, since it serves to bring down the average pay of females.

Proportion of men and women in each pay band (%)

The following graph further illustrates the gender distribution of BSW colleagues by presenting the percentage of female and male employees in each pay band.



This data shows that our gender pay gap is affected by differences in the gender composition of different pay grades.

Female colleagues constitute the majority in all paybands except payband 8d which shows an even distribution of male and female colleagues. Further to this, female colleagues are overrepresented against both the overall BSW workforce composition (female 81%), and the overall NHS workforce composition (female 77%) in Bands 2 – 7 and Band 8b.

5. Deep Dive Analysis

Further analysis of the data has been conducted to explore whether any particular segments of the workforce are contributing to the Gender Pay Gap.

The table below presents the difference in **average** hourly pay rates between male and female colleagues in each pay band.

Pay Band	Female		Male		Average Hourly Rate Difference between Male and Female
	Headcount	Average Hourly Rate	Headcount	Average Hourly Rate	
Band 2	<10	£10.23	0	N/A	N/A
Band 3	68	£10.50	<10	£10.38	£0.12
Band 4	35	£12.00	0	N/A	N/A
Band 5	31	£14.24	<10	£13.32	£0.92
Band 6	36	£17.54	<10	£18.47	-£0.93
Band 7	49	£21.72	<10	£20.92	£0.80
Band 8a	31	£24.41	15	£24.53	-£0.12
Band 8b	31	£28.84	<10	£27.59	£1.24
Band 8c	11	£34.12	<10	£36.39	-£2.27
Band 8d	<10	£42.22	<10	£42.35	-£0.13
Band 9	<10	£51.36	<10	£51.75	-£0.39
VSM / Ad Hoc	33	£58.62	19	£64.81	-£6.19

Female average hourly rate is higher than male average hourly rate

Female average hourly rate is lower than male average hourly rate

This analysis shows that:

- In pay bands 3, 5 and 7 and 8b, the female average hourly rate is higher than the male average hourly rate.
- In pay bands 6, 8a, 8c, 8d, 9 and VSM/Ad Hoc, the female average hourly rate is lower than the male average hourly rate.
- The largest differences where the female average hourly rate is lower than the average male hourly rate is in Band 6, Band 8c and VSM/Ad Hoc, so these 3 segments of the workforce have been further analysed to consider what factors could be contributing to our gender pay gap.

Band 6

Female colleagues are paid an average of 0.93p per hour less than male colleagues in Band 6.

Analysis of the data shows that 60% of the males are at the top of the pay band, which is commensurate with their length of service. By comparison, 41.67% of the females are at the top of the pay band. The significant under representation of males in this pay band at just 12.2% (less than 10) has a disproportionate impact on the pay gap.

Females on lower pay points in the band are all commensurate with their length of service with the CCG or promotion into role, therefore the over representation of females in this pay band (87.80% against the BSW workforce composition of 81%) also has a disproportionate impact on the pay gap.

Retention of female colleagues in this pay band as they transition up the pay band will reduce the pay gap in this pay band.

Band 8c

Female colleagues are paid an average of £2.27 per hour less than male colleagues in Band 8c. The gender composition of this pay band is more balanced, with 57.89% females and 42.11% males. Females are therefore significantly underrepresented against the overall composition of the female workforce in BSW which is 81%).

75% of males in Band 8c are at the top of the pay band, which is commensurate with their length of service in role. Conversely, just 27% of females are at the top of the pay band. However, the remaining 73% of females at lower points in the band are consistent with recent promotions to the band or start date with the CCG in line with Agenda for Change and therefore this has a direct impact on the gender pay gap. Retention of female colleagues in this pay band as they transition up the pay band will reduce the pay gap in this pay band.

VSM / Ad Hoc

Executive Directors and Clinical Leads are represented in this category which has the greatest difference in the average hourly rate between females and males. Colleagues in this cohort are high earners so it is important to consider the impact this has on the gender pay gap.

Excluding this category of colleagues from the overall gender pay gap calculation reduces the mean gender pay gap from 35.74% down to 28.26%. This category of colleagues therefore accounts for 7.48% of the mean gender pay gap.

Gender	Avg. Hourly Rate (all Pay Bands)	Avg. Hourly Rate (Agenda for Change Pay Bands only)
Male Hourly Rate	£35.91	£26.91
Female Hourly Rate	£23.07	£19.30
Difference	£12.83	£7.60
Pay Gap %	35.74%	28.26%

Female colleagues in this category are under-represented at 63.46% against the 81% female composition of the BSW workforce, however there are still more female colleagues than male colleagues in this category overall.

6. Summary & Next Steps

This is BSW CCGs first gender pay gap report, based on a single snapshot of our pay data taken on 31st March 2021. The data has identified that in BSW CCG we do have a gender pay gap that requires further investigation and action to narrow that gap as we are an outlier when compared to other organisations. Failure to address the gender pay gap may result in reputational damage and may deter future candidates applying for vacancies or promotions.

The calculations show that when comparing mean (average) hourly pay, women's mean hourly pay is 35.7% lower than men's. In this organisation, women earn 71p for every £1 that men earn when comparing median hourly pay. Women's median hourly pay is 28.7% lower than men's.

We know that 81.13% of colleagues in BSW are female (344) with 18.87% (80) male. Female colleagues are significantly overrepresented both overall in the workforce and in the lower quartile which is a contributing factor for the gender pay gap in BSW.

This report has explored 3 key lines of enquiry to better understand how the gender composition of the workforce in Band 6, Band 8c and VSM/Ad Hoc pay bands impacts the gender pay gap.

The next snapshot date is 31st March 2022 for the 2022/2023 reporting period. In addition to looking at our early results for the next mandatory submission of the report, we intend to have a closer analysis on the VSM/ad hoc pay ranges as these posts have the biggest impact on the overall gender pay gap. Results of this further analysis and the 2022 Gender Pay Gap report will be brought back to a future meeting of the ICB.

We understand the importance of tackling discrimination and promoting equality between different groups of people, whilst addressing the diverse needs of individuals. That is why we are working hard to understand why we have a gender pay gap, make improvements and reduce the gap overall wherever we can. Organisations that have managed to reduce their gender pay gap have implemented initiatives as detailed below:

- Recruitment & selection training for all panels
- Use of skills based assessment tasks in recruitment
- Use of structured interviews for initial recruitment and promotions
- Having a diversity lead and diversity champions
- Wider staff network participation
- Improved workplace flexibility
- Encourage shared parental leave
- Recruit returners
- Mentorship & sponsorship

Several of these initiatives are already happening in the CCG. The further analysis of the VSM/ad hoc pay ranges that will come back to the ICB after July will detail the progress on narrowing the gap and will have an agreed action plan containing those initiatives that have been shown to work elsewhere.