

# ADDRESSING YOUR GENDER PAY GAP

A GUIDE FOR EMPLOYERS



# Foreword



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**In 2018**, it became mandatory for all public sector employers with more than 250 employees to measure and publish their gender pay gap information. Since then, employers have had a responsibility to publish data annually, on both their own websites and on the government's.

NHS Employers has analysed the data from the latest round of reporting in the NHS, comparing it with the previous year, and the figures paint a clear picture. Most organisations that reported their gender pay gap figures showed a median pay gap in favour of men.

The work of the Health & Care Women Leaders Network, delivered by NHS Confederation and NHS Employers, is crucial in helping the NHS close the gap. The network engages its members to speak about the gap, and promotes good practice for tackling it. Without greater representation of women at the highest levels of NHS leadership, it will be all but impossible to achieve true gender equality in the health service for people at all stages of their careers.

But we cannot look at gender in isolation. This is also an opportunity to consider all aspects of equality, particularly ethnicity, as we know the representation of BME colleagues in senior positions is far below where it should be. Every board should be starting to look at its ethnicity pay gap, as we attend to each area of inequality impacting on our people and, ultimately, our patients.

These issues will only be addressed through action and a relentless focus. Many of the steps will require a long-term plan and active sponsorship to support women into more senior executive and non-executive roles.

# Using the gender pay gap guide

This guide will help you to report your gender pay gap figures and support you to develop a set of measurable actions to tackle your pay gap.

The guide includes:

- six steps to gender pay gap reporting
- how to address the challenges, including the importance of narrative and explaining your figures
- an action plan template
- a self-assessment checklist.

Developing a narrative and action plan alongside your figures each year will help you identify those causes which are specific to your organisation and are influencing your gender pay gap.

## Equal pay and gender pay

Equal pay means that men and women in the same employment who are performing equal work must receive equal pay, as set out in the Equality Act 2010.

The gender pay gap is a measure that shows the difference in average earnings between men and women across an organisation or the labour market. It is expressed as a percentage of men's earnings.



# Six steps to gender pay gap reporting



## Step one: Planning the report

There is an annual snapshot date of 31 March for reporting and an annual deadline of 30 March the following year for organisations to submit their figures.

You can produce your next report at any time after the snapshot date. Set some time aside and plan when you are going to create your report, work this in around other deadlines and known busy periods in your organisation.

### To source the data you will need to:

- calculate the hourly rate of ordinary pay relating to the pay period in which the snapshot day falls
- calculate the difference between the mean hourly rate of ordinary pay of male and female employees, and the difference between the median hourly rate of ordinary pay of male and female employees
- calculate the difference between the mean (and median) bonus pay paid to male and female employees, and calculate the proportions of male and female employees who were paid bonus pay
- calculate the proportions of male and female employees in the lower, lower middle, upper middle and upper quartile pay bands by number of employees, rather than rate of pay.

### Ordinary pay includes:

- basic pay
- paid leave, including annual, sick, maternity, paternity, adoption or parental leave (except where an employee is paid less than usual or nothing because of being on leave)
- area and other allowances

- shift premium pay, defined as the difference between basic pay and any higher rate paid for work during different times of the day or night
- pay for piecework.

### Ordinary pay does not include:

- remuneration referable to overtime, remuneration referable to redundancy or termination of employment, remuneration in lieu of leave
- remuneration provided otherwise than in money.

The term 'relevant pay period' means the pay period within which the snapshot date falls. For staff who are paid monthly, this would be the month in which the date is included.

### Bonus pay relates to performance, productivity, incentive, commission or profit sharing, but excludes:

- remuneration referable to overtime
- remuneration referable to redundancy
- remuneration referable to termination of employment.

## FURTHER READING

- The NHS Employers [Mind the Gap webinar](#) includes information on the legal requirements, ESR and next steps.
- [Capsticks guidance note 2018](#)
- [Capsticks guidance note](#) on bonus payments and allowances 2019

# Six steps to gender pay gap reporting



## Step two: Use ESR reports to produce the figures

There are specially designed reports from colleagues at ESR that will help you calculate your GPG data. These are accessible via the dashboard of ESR.

You should direct any queries on this facility to your ESR contact.

### FURTHER READING

- [Gender Pay Gap Analysis Guide](#) - the NHS Electronic Staff Record
- [Gender Pay Gap Reporting in ESR](#) - the NHS Electronic Staff Record

## Step three: Enter the data into the government website

Once you have completed the analysis using the ESR reports, you are ready to enter the information on to the [government reporting website](#).

## Step four: Analyse the reasons behind the figures

Just as important as the calculation of the figures is the narrative that goes with it. **We advise that you include the following in your narrative:**

- Separate out the various staff groups, for example Agenda for Change staff, medical consultants, very senior managers. This should demonstrate the effect that the pay of certain groups has on the whole picture.
- Include any mitigating circumstances which may affect the GPG figures, such as a recent recruitment drive for senior consultants.
- Include any reasons why the highest quartile for your organisation includes a smaller percentage of women than the other three. If your workforce is 80 per cent female, ideally women should make up 80 per cent of each quartile.

### FURTHER READING

- [Eight ways to understand your organisation's gender pay gap](#) - Government Equalities Office

# Six steps to gender pay gap reporting



## Step five: Write a narrative

Using the information in step four, write a narrative for your own website and link from the narrative to the [government website](#). For help writing your narrative see the next section of the guide on addressing the challenges.

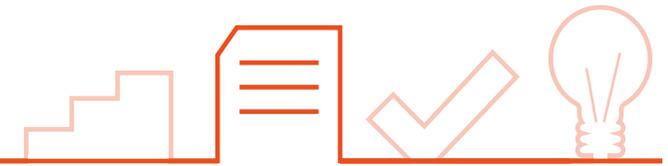
## Step six: Create an action plan to the narrative

In addition to a narrative, it is helpful to include an action plan that will help you start to address the reasons behind your gap.

Use the guidance and action plan template in the next section of the guide to help you with this.



# Addressing the challenges



## Producing a narrative and explaining your figures

The issues that surround the gender pay gap and its reporting are complex and the causes are a mix of work, family and societal influences. Employers will only be able to influence those factors associated with work.

We would strongly advise adding a supporting narrative to the gender pay gap information that you publish. This should be posted on both the government website and your organisation's website.

The purpose of the narrative is to explain the figures that you have published, in the same way as you would want to explain waiting list times or hospital episode data. A narrative helps anyone reading the statement to understand the organisation's view of why there is a gender pay gap (if one exists) and what the organisation intends to do to address it.

You may choose to use infographics to summarise your data, making it easier for your audience to digest the figures.

Publishing data without a narrative will not allow anyone looking at that data to fully understand the context and backdrop against which that data is being reported.

## Examples of good practice from NHS organisations

We have included links below of five NHS organisations that have produced good practice narratives. You may wish to use these to guide you in developing your own narrative.

- [Black Country Partnership](#)
- [North East Ambulance Service](#)
- [Pennine Acute](#)
- [Queen Victoria Hospital](#)
- [St George's University Hospitals](#)



# Self-assessment checklist



The self-assessment checklist highlights some of the key considerations that may affect your gender pay gap. Completing the checklist will enable you to assess your progress against different areas and understand those which require focus and should be addressed in your action plan.

## Branding/communication/transparency

We are transparent about our promotion, pay and reward processes.

We consider the language, images and branding that we use to promote and advertise roles and careers within our organisation.

We encourage salary negotiation by showing salary ranges when advertising vacancies.

## Recruitment and promotion processes

We provide good-quality interview training to our line managers.

We support progression for part-time and flexible workers.

We give recruiters structured interview templates so they give every candidate an equal chance.

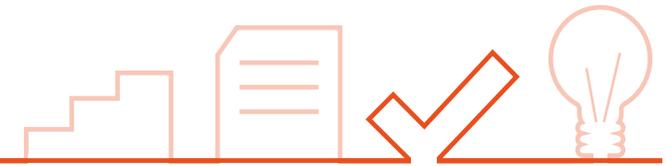
## Maternity and paternity and parental leave policies

We actively support women on maternity leave and encourage line managers to ensure staff use keeping in touch days as a stepping stone to creating a positive return to work experience.

We actively target women who have not returned to the organisation after maternity leave and encourage them to return in a way that works for them.

We actively promote the existence of a shared parental leave policy and encourage new parents to take advantage of the scheme.

# Self-assessment checklist



## Wellbeing and retention

We offer and actively promote a range of opportunities for flexible working to all staff, to suit their parental and caring responsibilities and commitments outside of work.

We actively analyse our staff survey data from a gender perspective by comparing the experiences of our male and female staff, particularly around the themes of equality, diversity and inclusion, line management and appraisals.

## Supporting female staff

We identify and support aspiring women leaders within our organisation by providing them with opportunities for development and career progression.

We have a women's network which offers staff the opportunity to access mentoring and coaching from colleagues and peers.

We actively support our female staff in considering and applying for clinical excellence awards (if appropriate) and other opportunities to seek recognition for their work.

## Data analysis

We have published our gender pay gap data on our website and produced a narrative that clearly explains the issues and what we are doing to address them.

We fully understand our gender pay gap data and have analysed it to identify patterns and trends within service areas, departments and occupations, and across other protected characteristics.

# Action planning



All organisations should also, in line with good practice, develop and publish a robust action plan that explains how it intends to tackle its gender pay gap. This plan should include targets and clear actions. This action plan should be reported to, discussed and endorsed by the board and be a vehicle for sending a strong signal of commitment to the workforce about their commitment to tackle gender equality in the workplace.

Taking evidence from existing analysis and guidance in relation to gender pay gap reporting, we have identified six areas in which organisations might want to focus their attention in terms of addressing and redressing a gender pay gap. It must be stressed however that each organisation will use their own combination of approaches and strategies according to their own data and the issues that it reveals.

## The six areas

### 1. Branding / communication / transparency

- Analyse your data to see who is applying for and being appointed to particular roles (especially those where there is a gender pay gap). See whether you can change that pattern through better communication, language (including gender neutral adverts) and branding to attract a different audience.
- Be transparent about processes, policies and criteria for decision making. Transparent promotion, pay and reward processes can help to reduce pay inequalities.
- Remember that perceptions are formed early on and perhaps target schools and colleges to ensure that people understand the range of roles available in the NHS and that they are open to both men and women.
- Make a bold, public commitment to reducing your gender pay gap, taking time to communicate and connect internally and externally.
- Use social media campaigns alongside the above.

### 2. Recruitment and promotion processes

- Regularly monitor and report on the male / female profile for applicants, shortlisted candidates and appointments, at all levels and across all occupations and working patterns.
- When shortlisting qualified candidates make sure more than one female applicant is included.
- Provide recruiting managers with training around good recruitment practices and interviewing techniques and skills.
- Review your recruitment practices to see if you could do things in a different way that allows candidates to better demonstrate their ability to do the job. For example, use skill-based assessment tasks and structured interviews in recruitment rather than relying on unstructured interviews. Remember that the recruitment process isn't a competition, it's about finding the right (and best) person for the job.

# Action planning



## FURTHER READING

- [Eight ways to understand your organisation's gender pay gap](#) - Government Equalities Office
- [Four steps to developing a gender pay gap action plan](#) - Government Equalities Office
- [Reducing the gender pay gap and improving gender equality in organisations: Evidence-based actions for employers](#) - Government Equalities Office
- [The gender pay gap in the English NHS. Analysis of some of the underlying causes](#) - Nuffield Trust
- [Closing the gender pay gap](#) - Equality and Human Rights Commission



## 3. Maternity and paternity and parental leave policies

- Develop and promote good maternity and paternity policies and encourage the uptake of **shared parental leave**. Offer enhanced shared parental pay at the same level as enhanced maternity pay.
- Encourage take up of shared parental leave. For example, inform future fathers that it's their legal right to request shared parental leave and provide future parents with guidance and personal support to understand the scheme.
- Share and promote examples of senior leaders who have taken shared parental leave in your organisation.

## 4. Wellbeing and retention

- Flexible working is an excellent way to both recruit and retain staff and support them to create a better work/life balance.
- Offer flexible working options for all staff. Encourage men to work flexibly, so that it isn't seen as a female-only benefit and supports both men and women to undertake childcare and other caring responsibilities.
- Advertise and offer all jobs as having flexible working options, such as part-time work, remote working, job sharing or compressed hours.
- Encourage your senior leaders to role model working flexibly and to champion flexible working.

For more information on flexible working see NHS Employers guide to [improving staff retention through flexible working](#).

# Action planning



## 5. Supporting female staff

- Create female-led networks within your organisation or champion other similar networks that your female staff can be part of.
- Offer mentoring, coaching and sponsorship opportunities within your organisation.
- Ensure that staff on maternity leave make the most of their keeping in touch days.
- Invest in a returners scheme, reaching out to women who went on maternity leave and didn't return and offering them a structured support package to encourage them back.

## 6. Data analysis

- Scrutinising your data more closely and understanding the drivers of your gender pay gap will allow you to target your actions to achieve effective results. Identify those departments, services and occupations where the gaps are bigger, or where the number of female appointments is lowest, and investigate why.
- Disaggregate your data in different ways, don't just look at the data by gender. Also, consider the differences in terms of age, disability and race and see if this gives you any better insights.
- Analyse your NHS Staff Survey data, particularly focusing on the experience of women. This will help you support action planning.

## FURTHER READING

[Reducing the gender pay gap and improving gender equality in organisations: Evidence-based actions for employers - Government Equalities Office](#)



# Action planning



Area and objective	Action	Lead	Timescales	Resources	Outcome and impact
<i>Recruitment processes – to improve access to training for recruiting managers.</i>	<i>Review all training offered and develop a plan for all managers to undertake mandatory good-quality interview training.</i>	<i>Lead: HR team Support: HR director.</i>	<i>Plan to be developed in next six months.  Training to be completed by the end of March.</i>	<i>Data and information.  Internal communications.</i>	<i>All recruiting managers are trained in good practice interviews.</i>