

## Board of Directors Item 5.6\*

**Subject:** Gender Pay Gap Report  
**Date of Meeting:** 9<sup>th</sup> April 2024  
**Presented by:** Rachael McDonald, Deputy Director of HR and L&D  
**Purpose of Report:** To Note

BAF Reference	Impact on BAF
BAF 4	Statutory requirement to submit Gender Gap Reporting.

Level of assurance (please tick one)					
X	<b>Acceptable assurance</b> Controls are suitably designed, with evidence of them being consistently applied and effective in practice	<input type="checkbox"/>	<b>Partial assurance</b> Controls are still maturing – evidence shows that further action is required to improve their effectiveness	<input type="checkbox"/>	<b>Low assurance</b> Evidence indicates poor effectiveness of controls

### 1. Executive Summary

The purpose of this paper is to provide the Board of Directors with an overview of the Trust's gender pay gap data as per the statutory and legal requirement to publish this annually. Assurance is also provided that this statutory report has been published by 31<sup>st</sup> March 2024 deadline.

Liverpool Heart and Chest recognise the value of our colleagues and their diversity and work to ensure that our workforce is representative of the communities we serve.

### 2. Background

Employers with 250 employees and over are required to publish a gender pay gap report annually for all employees who are employed under a contract of employment, a contract of apprenticeship or a contract personally to do work. This will include those under the NHS terms and conditions of service, medical staff, and very senior managers. For the purposes of the analysis in this report, the snapshot date is 31 March 2023.

The regulation determines how the calculations should be made and what pay is to be included in the report. The information needs to be published on a website that is accessible to employees and the public free of charge, i.e., the Trust's website ([www.lhch.nhs.uk](http://www.lhch.nhs.uk)). It also needs to be uploaded onto the Government's online reporting service.

### 3. Reporting Ethnicity Gap

Although the organisation is not yet mandated to report on our Ethnicity Pay Gap we have chosen to do so, and a high-level ethnicity gap breakdown has been included in this report based on data within ESR. Unlike gender, colleagues voluntarily declare their ethnicity and therefore an accurate analysis requires 100% voluntary declaration

This not only ensures greater transparency but also complements both the gender pay gap reporting and the Trust's Equality, Diversity, Inclusion and Belonging Strategy.

### 4. CEA Awards

Basic pay and Bonus pay is also included in the reporting. For Liverpool Heart and Chest Hospital this therefore includes Clinical Excellence Awards and Distinction Awards.

The demographic data from the local CEA round 2023: -

- 92 consultants were eligible to apply: 72 male (78%) and 20 female (22%)
- 1 female consultant (5% of eligible female workforce) applied for a Clinical Excellence Award; 1 applicant was successful (100%).
- 12 male consultants applied (13% of eligible male workforce) for a Clinical Excellence Award; 12 applicants were successful (100%)

### 5. Key Highlights from the reporting period (data as 31<sup>st</sup> March 2023)

The GPG report is provided in **Appendix 1**, and this outlines the Trust position for the reporting period ending 31 March 2023.

Key Highlights include: -

- Females represent 72.21% of the workforce at LHCH. Males represent 27.79%
- Females represent 89.62% of Nursing and Midwifery Registered staff. Female representation in Additional Clinical Services, Add Prof Scientific & Technical and Admin and Clerical roles is above 70%. There is broadly an equal female / male split with Estate and Ancillary. Medical and Dental is predominantly male at 78.79% of staff, which is a reduction of 4.15% compared to 2022.
- We have seen an improvement in our mean hourly rate gap from £6.11% (25.54% gap) in 2022 to £5.41 (22.49% gap) in 2023. However, it must be noted that calculating using the mean can be affected by outliers (for example: Consultants who receive Clinical Excellence Awards skewing the data). Therefore, it is generally accepted that the median is a fairer representation for Gender Gap Reporting.
- Consequently, when analysing the median data, we see an improvement in the pay gap from the previous year with 2023 median being £1.35 (7.42% gap) compared against £2.41 (13.03% gap) in 2021.
- A breakdown has been included in the report which excludes consultants from the calculations which would reduce the median pay gap significantly to £0.11 (0.67%) and mean to £0.80 (4.24%).
- The estimated Public Sector Gender Pay Gap provided by the Office for National Statistics. in 2023 estimates that the Public Sector Gender Pay Gap is 13.20% (Mean Gap) / 14.30%

(Median) and the gap has closed from 2022. The comparison for LHCH is that our mean position is a significantly higher estimate, but our median position is reporting below the public sector estimate.

- In terms of ethnicity reporting, the gender gap difference between Black, Asian, and Minority Ethnic Females and males is 40.10%, compared to a 15.45% gap between white male and females. Whilst this gap is high, it the gap has closed comparing against the position in 2022. Nationally, women from almost every minority ethnic group experience a pay gap with white British men.
- The female bonus pay gap mean in 2023 is 36.44% lower than men compared to 62.79% in 2022. The median in 2023 is 24.69% lower than men compared to 66.67% in 2022. Whilst there has been an improvement, the pay gap is high between Male/Female staff due to the smaller range in bonuses paid to the 9 female staff members -ranging from £3k to £21K – compared to the range paid to male staff of £3K to £59.5K.
- Disability pay gap is new for 2023 reporting period. For disabled males, the average hourly rate is £15.93 and disabled females is £16.51 with a female higher pay gap of 3.61%. For non-disabled females the average hourly rate is £19.21 with non-disabled males at £24.25 with a pay gap difference of 20.76%

## 6. Key Actions

LHCH are addressing the gender pay gap through a range of actions and workstreams, including:

- Delivery of our Equality, Diversity, Inclusion and Belong strategy, supported by an operational action plan
- ensuring the fairness and equality of recruitment, through inclusive recruitment practices
- investment in our staff networks, particularly women's and the male networks; helping to place a spotlight and develop interventions for the key issues that are important to our members.
- Introduction of fair and inclusive working models support by flexible working policies, including the development of hybrid working models and shared parental leave
- Building an inclusive culture throughout leadership programmes
- Creating a Women in Leadership offer.
- Working towards a more balanced gender representation across the grades through promoting development or talent opportunities and through creating inclusive career pathways.
- Developing bespoke actions to support the delivery of the NHS EDI Improvement Plan and Anti Racism Framework

We propose to take further action in the forthcoming year to reduce our pay gap by:

- Implement the Mend the Gap review recommendations for medical staff (*NHS EDI Improvement Plan*)
- Continue to develop talent management strategies that focus on supporting our female colleagues through their career journey in the organisation
- Continuing to work with all staff networks to take an intersectional approach to identifying collaborative actions that will support pay equality
- Developing management guidance and resources to upskill line managers on inclusive people practices

## **7. Conclusion**

Progress continues to be made regarding the Trust's compliance with this legal requirement.

Improvements have been made to close the gender pay gap, but the report highlights that further work is required to close the gender pay gap. The report and findings will be taken through the Equality and Inclusion Steering Group who will be tasked with reviewing the report and making recommendations on actions which will feed into the EDIB operational action plan.

A progress update, alongside other equality, diversity, and inclusion interventions will be provided to People Committee in June 2024

## **8. Recommendations**

The Board of Directors are asked to note the contents of this report.