**NHS** Health Education England

# **Health Education England**

# Gender Pay Gap Report 2019/20

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# 1. Introduction

- 1.1. In 2017, the Government introduced legislation that made it a statutory responsibility for organisations with 250 or more employees to report annually on their gender pay gap. These regulations underpin the Public Sector Equality Duty and require relevant organisations to publish their gender pay gap report by the end of each financial year. There are six pieces of information that must be published in the gender pay gap report, and these are:
- 1.2. The difference between the:
  - Mean hourly rate of male and female employees.
  - Median hourly rate of male and female employees.
  - Mean bonus paid to male and female employees.
  - Median bonus paid to male and female employees; and

The proportions of:

- Male and female employees who were paid a bonus.
- Male and female employees in the 1<sup>st</sup> (lower) quartile, 2<sup>nd</sup> quartile, 3<sup>rd</sup> quartile and 4<sup>th</sup> (upper) quartile pay bands.
- 1.3. The gender pay gap report is intended to show the difference in the average pay between all men and women in a workforce. While the Electronic Staff Record (ESR) facility does not enable HEE to include non-binary staff as part of the data, HEE is committed to including staff who have transitioned as part of our data and is proud to have established our Transitioning at Work Policy in 2018.
- 1.4. The gender pay gap is different to 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. It is unlawful to pay people unequally because they are a man or a woman.

The Equalities and Human Rights Commission explains the difference as follows:

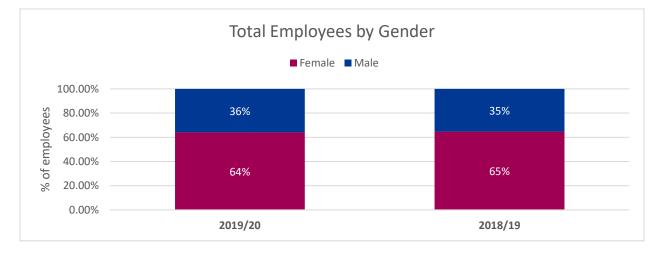
"Whilst both equal pay and the gender pay gap deal with the disparity of pay women receive in the workplace, they are two different issues: Equal pay means that men and women in the same employment performing equal work must receive equal pay, as set out in the Equality Act 2010. The gender pay gap is a measure of the difference between men's and women's average earnings across an organisation or the labour market. It is expressed as a percentage of men's earnings."

- 1.5. Health Education England (HEE) unequivocally supports the fair treatment and reward of all staff, irrespective of their gender. Our approach to pay, in common with the wider NHS, is based on the principles of consistency, fairness and transparency, supporting the fair treatment and reward of all staff, regardless of their gender.
- 1.6. This report fulfils HEE's statutory requirements, analyses the figures in more detail and sets out what we are doing to close the gender pay gap in the organisation. The information set out in this report, as required by the current legislation, is accurate as at 31 March 2020. The report will review the gender profile and pay gap for the whole organisation, in addition, the report will review the gender profile and pay gap within its two staff group: Admin and Clerical and Medical and Dental.

### 2. Gender Profile and Pay Gap - whole organisation

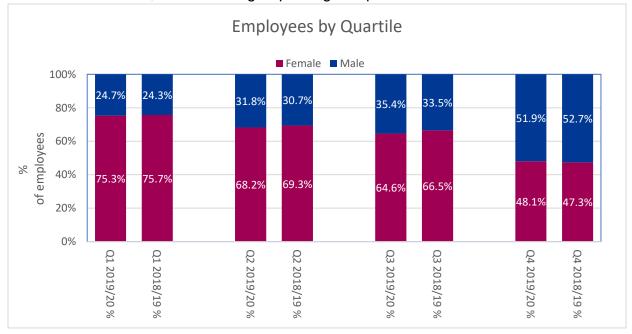
#### 2.1. Gender Profile

- 2.1.1. As at 31 March 2020 64% of all staff are female, 36% are male.
- 2.1.2. The number of staff within senior management roles (band 8d and 9 or equivalent medical grades) is 32.9% of the organisation. 49.7% of these are men and 50.26% are women.
- 2.1.3. The overall distribution of male and female staff has remained largely consistent since HEE was first established in 2013.



## 2.2 Pay

- 2.2.1 HEE uses nationally negotiated NHS terms and conditions of service for most of its staff. The majority of HEE's staff are employed on standard NHS Terms and Conditions (Agenda for Change), with the remainder on Medical and Dental or Executive and Senior Manager (ESM) terms and conditions.
- 2.2.2 Generally, those staff who have spent longer in the same grade would be expected to earn more, through incremental progression, regardless of their gender. For this report, hourly pay is calculated from base pay and allowances.
- 2.2.3 The gender pay gap report requires employers to split the employee population into 4 'quartiles', or groups, from the lowest paid (Q1) to the highest (Q4).
- 2.2.4 **75.3%** of HEE staff in the lowest quartile are women, compared with **48%** in the highest quartile. As **64%** of HEE's workforce is female, the current pay gap is impacted by this smaller representation of women in senior roles, particularly in the uppermost quartile, compared to the lowest.
- 2.2.5 The overall difference in hourly pay is primarily driven by a greater proportion of men in the highest quartile compared to the overall population. In turn, this is also affected by the higher number of men than women within Medical and Dental roles, which is the group of highest paid roles within HEE overall.



## 2.3. Gender Pay Gap in Hourly Pay

2.3.1. The gender pay gap is described in two different terms. Firstly, the difference between the mean of hourly rates of men and the hourly rates of women, and secondly as the difference between the median of hourly rate (men) and hourly rate (women)

#### Mean and Median

- The "mean" is an average of all hourly rates of pay,
- The "median" is the middle value in a complete list of all hourly rates of pay.
- 2.3.2. For 2019/20 the gender pay gap for HEE is as follows

#### 2.3.3. Mean

The difference between the mean hourly rate of men vs women was **20.35%** (in 2018/19 the difference was 21.86%)

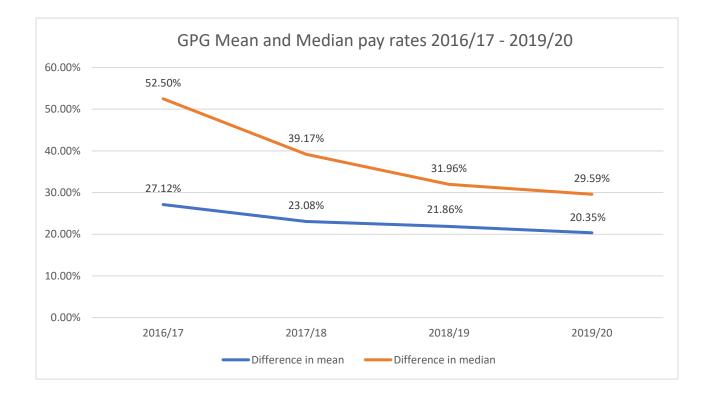
#### 2.3.4. Median

The difference between the median hourly rate of men/women was **29.59%** (in 2018/19 the difference was 31.96%).

- 2.3.5. The chart below shows the Mean and the Median Pay for male and female for 2019/20 compared to 2018/19
- 2.3.6. It should be noted that the HEE pay profile changed during the course of 2019/20 due to the TUPE of 234 staff from University of London. The managerial, administrative and clerical staff (103 staff) hold a local pay framework and the medical and dental staff (131) are subject to the NHS medical and dental pay scales. The impact of such a large transfer of staff in with over 50% of them in medical and dental grades means that the mean and median in 2019/20 for both staff groups has risen by just under £2 per hourly rate.

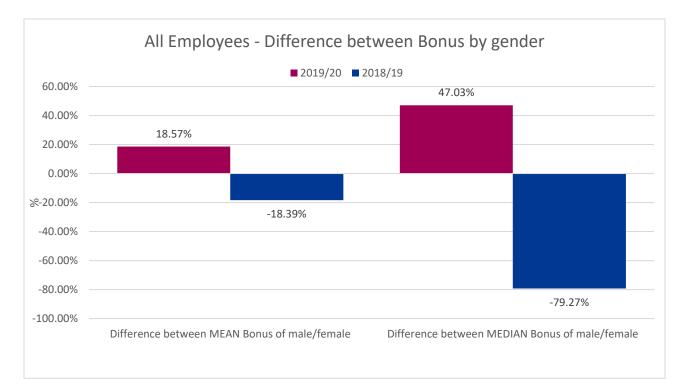


2.3.7. The chart below shows the trend of HEE's Mean and Median pay gap since reporting commenced in 2016/17.



## 2.4. Bonus Gender Pay Gap

- 2.4.1. Bonus payments are not a feature of NHS Agenda for Change terms and conditions.
- 2.4.2. ESM contract holders have a contractual entitlement to be considered for a performance related bonus payment. In 2019/20 it was determined by the ESM group that such payments would not be made and that the available pot for such awards would be distributed to the whole workforce and supplement the new HEE CPD fund arrangements.
- 2.4.3. For Medical and Dental staff, Clinical Excellence Awards (CEA) recognise and reward colleagues who contribute significantly towards safe delivery of high-quality care, and to the continuous improvement of the NHS. These awards for the purposes of the Gender Pay Gap calculations are considered as bonuses. During the year 2019/20 a total of 9 men and 8 women were in receipt of such awards.

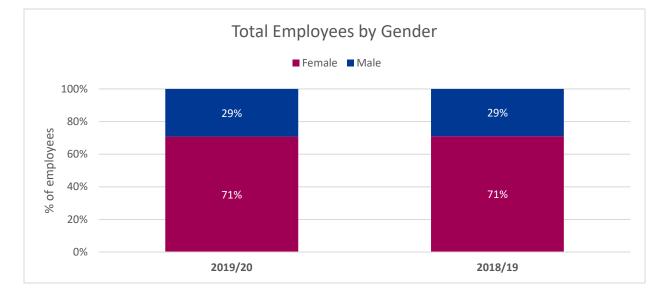


2.4.4. This equates overall, for the year 2019/20, to **0.87%** of HEE's male colleagues receiving a bonus, and **0.43%** of female colleagues, a difference of **0.44%**.

# 3. Gender Profile and Pay Gap - Admin and Clerical Staff groups

## 3.1. Gender Profile

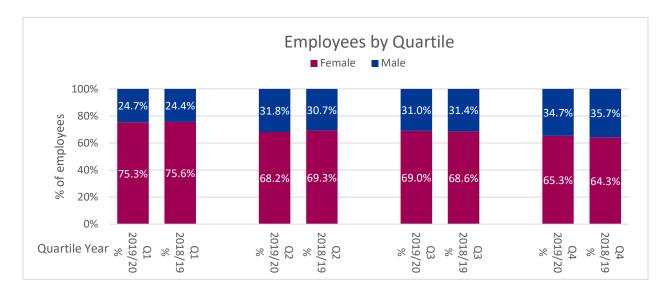
#### 3.1.1. In 2019/20, there was no overall change in the gender split in this staff group



## 3.2. Pay

- 3.2.1. HEE uses nationally negotiated NHS terms and conditions of service for most of its managerial, administrative and clerical staff.
- 3.2.2. The majority of HEE's staff are employed on standard NHS Terms and Conditions (Agenda for Change), with the remainder on either local payscales or Senior Manager (ESM) terms and conditions.
- 3.2.3. Generally, those staff who have spent longer in the same grade would be expected to earn more, through incremental progression, again regardless of their gender.
- 3.2.4. For this report, hourly pay is calculated from base pay and allowances.

- 3.2.5. The gender pay gap report requires employers to split the employee population into 4 'quartiles', or groups, from the lowest paid (Q1) to the highest (Q4).
- 3.2.6. **75.3%** of HEE staff in the lowest quartile are women, compared with **65.3%** in the highest quartile. As **71%** of HEE's admin and clerical workforce is female, the current pay gap is impacted by this smaller representation of women in senior roles and over representation in the lower quartile.



## 3.3. Gender Pay Gap in Hourly Pay

3.3.1. The gender pay gap is described in two different terms. Firstly, the difference between the mean of hourly rates of men and the hourly rates of women, and secondly as the difference between the median of hourly rate (men) and hourly rate (women)

#### Mean and Median

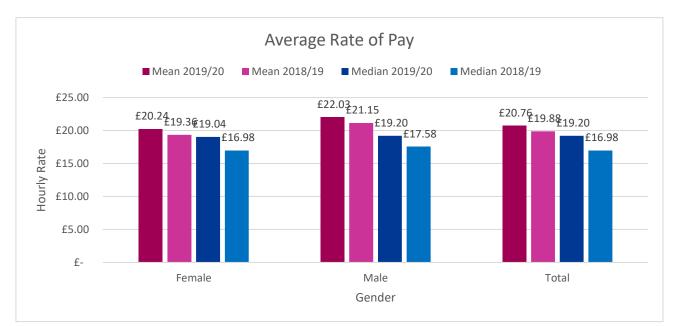
- The "mean" is an average of all hourly rates of pay,
- The "median" is the middle value in a complete list of all hourly rates of pay.
- 3.3.3. For 2019/20 the gender pay gap for HEE is as follows

#### 3.3.4. Mean

The difference between the mean hourly rate of men vs women in this staff group was **8.23%** (in 2018/19 the difference was 8.46%)

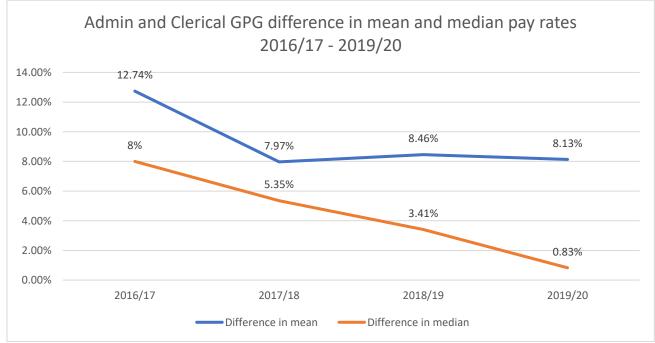
#### 3.3.5. Median

The difference between the median hourly rate of men/women was **0.83%** (in 2018/19 the difference was 3.41%).



3.3.6. The chart below shows the Mean and the Median Pay for male and female for 2019/20 compared to 2018/19

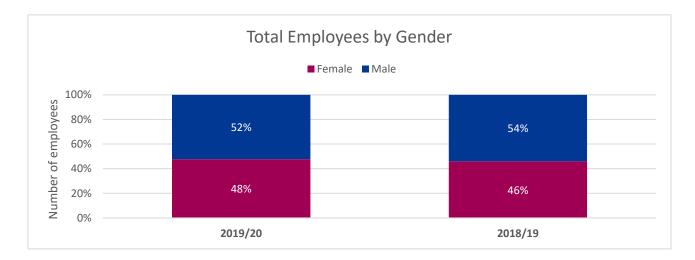
# 3.3.7. The chart below shows the trend of HEE's Mean and Median pay gap since reporting commenced in 2016/17.



# 4. Medical and Dental Staff groups

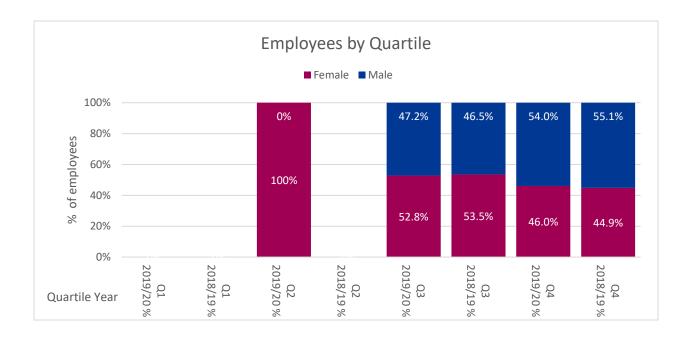
## 4.1. Gender Profile

4.1.1. In 2019/20, there was a small improvement in the number of females employed in this staff group



# 4.2. Pay

- 4.2.1. HEE uses nationally negotiated NHS terms and conditions of service for its medical and dental staff group.
- 4.2.2. The gender pay gap report requires employers to split the employee population into 4 quartiles', or groups, from the lowest paid (Q1) to the highest (Q4).
- 4.2.3. With the exception of one member of staff that is paid within quartile 2, salaries for this staff group occupy the top two pay quartiles
- 4.2.4. As **48%** of HEE's medical and dental workforce is female, the current pay gap is impacted by a slightly smaller representation of women receiving pay at quartile 4 levels and over representation in quartile 3.



## 4.3. Gender Pay Gap in Hourly Pay

4.3.1. The gender pay gap is described in two different terms. Firstly, the difference between the mean of hourly rates of men and the hourly rates of women, and secondly as the difference between the median of hourly rate (men) and hourly rate (women)

#### Mean and Median

- The "mean" is an average of all hourly rates of pay,
- The "median" is the middle value in a complete list of all hourly rates of pay.
- 4.3.2. For 2019/20 the gender pay gap for HEE is as follows
- 4.3.3. Mean

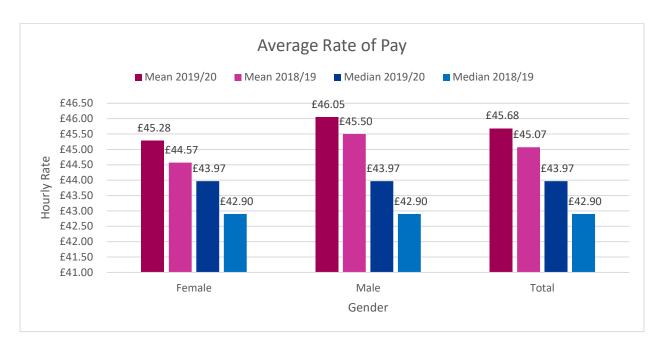
The difference between the mean hourly rate of men vs women in this staff group was **1.67%** (in 2018/19 the difference was 2.44%)

#### 4.3.4. Median

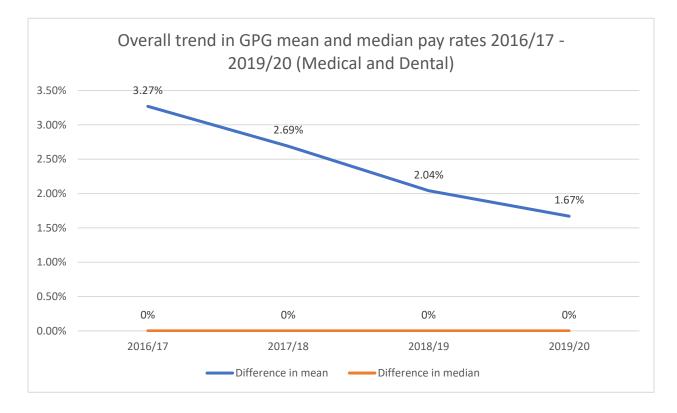
The difference between the median hourly rate of men/women is zero across both years

4.3.2. The chart below shows the Mean and the Median Pay for male and female for

#### 2019/20 compared to 2018/19



# 4.3.3. The chart below shows the trend of HEE's Mean and Median pay gap since reporting commenced in 2016/17.



# 5. Actions to reduce the gender pay gap

- 5.1. The HEE Gender Pay Gap, when analysed as a whole, is adversely impacted by the presence of medical and dental grades in the two top quartiles within our pay profile, which creates a larger gap when combined with our admin and clerical workforce than when they are separated out.
- 5.2. Whilst the gender split in the Medical and Dental (M&D) staff group is not significant we should seek to improve female occupation within the top pay quartile so that it matches the female percentage of the staff group,
- 5.3. The same would apply within admin and clerical grades, with initial targets being to improve female occupation within the top pay quartile so that it matches the percentage of female's admin and clerical grades.
- 5.4. HEE's Gender Pay Gap continues to improve and we are committed to continuing this trend through a range of actions, including:
  - Ensuring a supportive environment exists through flexible and agile working arrangements that encourages women to return to their careers following maternity and other life events or during menopause where flexible working arrangements may assist symptoms.
  - Working with a specific Gender Pay Gap Sub-Group of the National Partnership Forum to widen and diversify the staff involved in this work and provide designated time and resource to take forward our work on the further reduction of inequalities in partnership with our trade unions.
  - Working with our Women's Network to understand the pay gap and promote awareness of policies and processes to promote greater opportunities for development and representation within higher paid roles
  - Ensuring that gender equality is an integral element of our <u>Diversity and</u> <u>Inclusion strategy</u>
- 5.5. HEE's People Committee has the lead role in identifying and supporting further initiatives to improve HEE's position regarding Gender Pay and other forms of diversity and inclusion