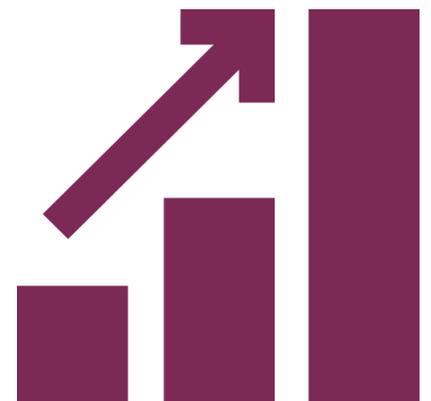


# Gender Pay Gap Report

Snapshot date: 31 March 2017

**Published by: Arden & GEM CSU**



OFFICIAL

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April 2018

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**Equal Pay is being paid equally for the same/similar work**



**Pay Gap is the difference in the average pay between two groups**

## 1. Introduction

All organisations within the United Kingdom with more than 250 employees have been required since April 2017 to publish details of their gender pay gap. The specific requirements of the Equality Act 2010 Act (Gender Pay Gap Regulations) 2017 are to publish information for the six specific measures detailed in this report.

NHS Arden & GEM (A&GEM) Commissioning Support Unit (CSU) was established on 1 April 2013 along with 23 CSUs in the country following on from 162 predecessor organisations: Strategic Health Authorities (SHAs); Primary Care Trusts (PCTs) and the Department of Health.

Employees work from bases across England with the main hubs being Leicester, Lincolnshire, Birmingham, Derbyshire, Northampton, Warwick & Mansfield.

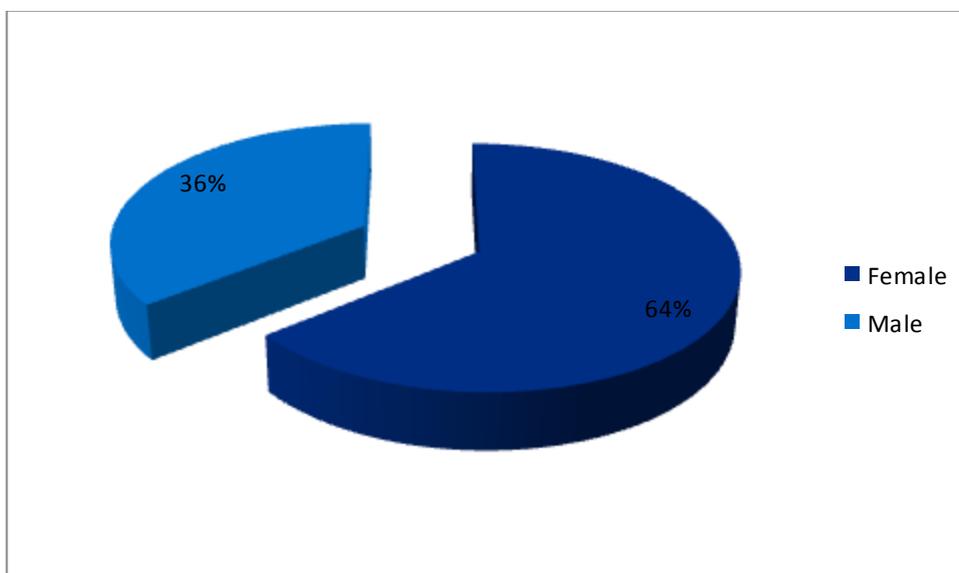
As at the 31 March 2017 the organisation had 1097 employees who had been employed at some point during the previous 12 months. The organisation is predominately female, making up 64% of the workforce receiving full pay.

In order to meet the requirements of The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, Arden & GEM CSU is required to calculate and publish the following information:

- 1) The mean gender pay gap
- 2) The median gender pay gap
- 3) The mean bonus gender pay gap
- 4) The median bonus gender pay gap
- 5) The proportion of males receiving a bonus payment
- 6) The proportion of females receiving a bonus payment
- 7) The proportion of males and females in each quartile pay band
- 8) A written statement, authorised by an appropriate senior person, which confirms the accuracy of the calculations.

### Gender Profile

The gender profile split of A&GEM workforce is as follows:



## **Remuneration Policy**

98.2% of 1097 employees are on NHS Agenda for Change (AfC) pay grades ranging from Band 2 to Band 9. The AfC job evaluation system allocates posts, in accordance with responsibility to set pay bands. As employees successfully develop their skills and knowledge they progress in annual increments up to the maximum of their pay band.

The framework for the remuneration of senior managers and directors is set by the Department of Health through the Executive and Senior Managers (ESM) pay framework for arm's length bodies. 0.5% of 1097 employees are engaged as ESM's with a further 0.3% of employees on Medical pay scales. The remaining 1% consists of lay members and apprenticeships.

Employees are governed by HM Treasury's pay remit and are subject to current public sector pay rules and pay restraint.

## **2. What is our gender pay gap?**

A&GEM recognises that it does have a gender gap.

| <b>Gender pay gap</b>                          | <b>%</b>    |
|--|-------------|
| <b>1. Mean gender pay gap - Ordinary pay</b>   | <u>14.8</u> |
| <b>2. Median gender pay gap - Ordinary pay</b> | <u>10.9</u> |

Based on the Government's methodology A&GEM has a mean gender pay gap of 14.8%. This is calculated as the percentage difference between the average hourly salary for men and the average hourly salary for women. The median gender pay gap of 10.9% is calculated as the percentage difference between the mid-point hourly salary for men and the mid-point hourly salary for women.

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

## **3. What is our bonus gender pay gap?**

A&GEM does not have a bonus gender pay gap.

A&GEM since its inception has not paid bonuses to its employees, even though there has been an option, for senior managers and directors in the terms and conditions and as part of Executive and Senior Managers pay arrangements. There is no scope for bonus payments within the Agenda for Change terms and conditions of service.

As a result, there are no males or females in receipt of bonus payments.

#### 4. What proportion of males and females are in each pay quartile?

| Quartile | Female | Male   | Female % | Male % |
|----------|--------|--------|----------|--------|
| 1        | 184.00 | 59.00  | 75.72    | 24.28  |
| 2        | 185.00 | 112.00 | 62.29    | 37.71  |
| 3        | 182.00 | 93.00  | 66.18    | 33.82  |
| 4        | 153.00 | 129.00 | 54.26    | 45.74  |

75.7% of employees in the lower quartile are female, compared to 54% in the upper quartile. As 64% of 1097 employees are female, this demonstrates that a significant driver for the pay gap is a consequence of having a lower proportion of women in higher pay bands.

The table below further demonstrates that we whilst we have more women in lower banded roles; this is broadly in proportion to the gender split across the organisation (63:36). Additionally the disparity seen in the very senior salaries (those above band 9) relate to very small numbers of staff. (See Table 1 below)

#### Contribution of pay bands to the mean pay gap

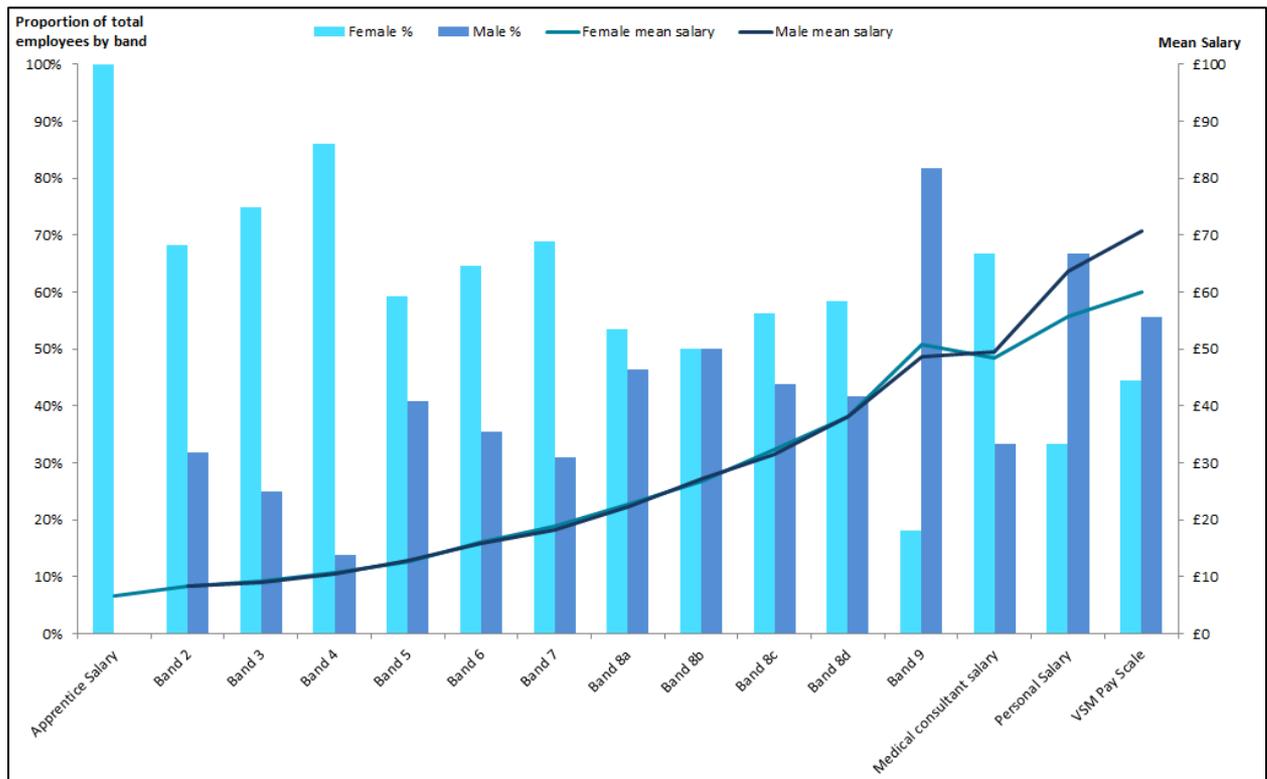


Table 1: Proportion of employees, split by gender and band

## 5. What are we doing currently to close the gap?

In order to reduce the gender pay gap, it is recommended that organisations focus on the following activities (*Managing gender pay reporting ACAS/GEO, 2017*):

- Developing the evidence base
- Ensure related policies and practices are up to date
- Train and support line managers
- Manage family-friendly leave successfully
- Make the most of flexible working
- Encourage and review career and talent development
- Minimise any negative impact from pay systems
- Consider taking positive action

To decide where to place our greatest priority, Arden & GEM CSU will need to understand more about what is driving our gender pay gap, so there is a strong case to **further develop the evidence base** (see below for some recommendations).

A&GEM is committed to addressing the gender pay gap and is currently undertaking a range of actions to ensure an equal and workplace:

- A more detailed analysis of the gender gap by additional factors such as: Age, Length of service and Directorates/Functions
- Ensure related policies and practices are up to date (e.g. on flexible working, bullying & harassment, talent management and people development)
- Train and support line managers (e.g. in fair recruitment, promotion and positive action)
- Manage family-friendly leave successfully (e.g. pregnancy-related appointments, keeping in touch and parental leave)
- Make the most of flexible working (ensuring it is equally available at the upper quartile pay bands)
- ensuring that coaching and mentoring programmes are available for all staff across the organisation

The following **additional responses** would require more in-depth planning and so should follow from a more detailed evidence base, guiding the prioritisation of our actions:

- Encourage and review career and talent development (challenging working practices and cultures which discourage women or men from working flexibly)
- Minimise any negative impact from pay systems
- Consider taking positive action which is supported by the evidence
- Supporting the development and growth of our local Staff Engagement Forums
- Developing our Staff Networks (Women's, Disability and Wellbeing, BME, LGBT+, Carers)
- Promoting competency and values based interviews
- Increasing the focus on talent development and stretch assignments for all staff
- Offering a range of flexible working options, including home working, personalised working patterns, part-time working and job-share
- Offering senior and line management development programmes for all managers
- Reporting on gender and other diversity data