

Manchester Health and Care Commissioning
 BOARD

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| Agenda Item | | Date | 27.3.19 |
| Report Title | Gender Pay Report 2018/19 | | |
| Report Author | Hilda Bertie, EDHR lead. | | |
| Summary | <p>This is the second annual Gender Pay Gap Report published by Manchester Clinical Commissioning Group (MCCG) and has been compiled in accordance with the Mandatory Gender Pay Gap Reporting processes set down in The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017. The legislation requires all employers with 250 or more employees to publish their gender pay gap information no later than the 31st March each year.</p> | | |
| Strategic Objectives considered in this report | <p>Improve the health and wellbeing of people in Manchester</p> <p>Strengthen the social determinants of health and promote healthy lifestyles</p> <p>Ensure services are safe, equitable and of a high standard with less variation</p> <p>Enable people and communities to be active partners in their health and wellbeing</p> <p>Achieve a sustainable system</p> | | |
| Risks considered in this report | MHCC workforce capacity and capability | | |
| Confirmation that equality analysis has been fully considered in the preparation and | The report is an analysis of our pay based on gender, ethnicity and disability. | | |

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|---|---|
| design of the reported policy, plan or strategy. | |
| Financial Implications | None identified. |
| Public Engagement | As this report relates to internal staff and pay public engagement is not required. |
| Recommendations | Board is recommended to note and approve the report before publication. |

MCCG Pay Gap Report 2019

(incorporating ethnicity and disability)

1.0 Introduction

This is the second annual Gender Pay Gap Report published by Manchester Clinical Commissioning Group (MCCG) and has been compiled in accordance with the Mandatory Gender Pay Gap Reporting processes set down in The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017. The legislation requires all employers with 250 or more employees to publish their gender pay gap information no later than the 31st March each year.

Since 1st April 2017, MCCG has been part of a health and social care partnership (Manchester Health and Care Commissioning). The partnership was established to deliver integrated health and care services across Manchester. You can find the care provision gender pay gap data published by Manchester City Council at [2018/19 Pay Policy Statement](#)

The MCCG 2018 Gender Pay Gap Report continues to be available on MCCG's website <https://www.mhcc.nhs.uk/wp-content/uploads/2018/03/3.4.2-Gender-Pay-Reporting.pdf> as required by Gender Pay Gap Legislation. This is helping us establish and address any patterns and trends over time.

Our 2019 Gender Pay Gap Report is based on snapshot data from MCCG as at 31st March 2018 which has been extracted from our Electronic Staff Record (ESR) which is the national integrated HR and Payroll system used by NHS Organisations. Since the 2018 Gender Pay Gap report was published, the makeup of the organisation's workforce has changed. The 2019 data includes an the hosted group of NHS employees from Greater Manchester Health and Social Care Partnership (GMHSCP) who were not previously included in our 2018 Gender Pay Gap reporting.

In line with MCCGs legal obligations, the report includes 6 Gender Pay Gap Indicators:

- Average gender pay gap as a mean average
- Average gender pay gap as a median average
- Average bonus gender pay gap as a mean average
- Average bonus gender pay gap as a median average
- Proportion of males receiving a bonus payment and proportion of females receiving a bonus payment
- Proportion of males and females when divided into four groups ordered from lowest to highest pay

Included in this 2019 report (and ahead of any recommendation arising from the 2019 Ethnicity Pay Reporting Government consultation) is information on our Ethnicity and Disability Pay Reporting for MCCG. We collect and collate this data to help us evidence where we need to make any adjustments in the same way we do for the results of our gender pay reports.

For clarity, “Ordinary Pay” means basic pay; allowances; pay for piecework; pay for leave; and shift pay. It does not include overtime pay; redundancy pay; pay in lieu of leave or non-monetary remuneration.

“Bonus Pay” means pay in the form of money, vouchers, securities, securities options or interest on securities; and pay that relates to profit sharing, productivity, performance, incentive or commission. Non-consolidated bonuses are also included.

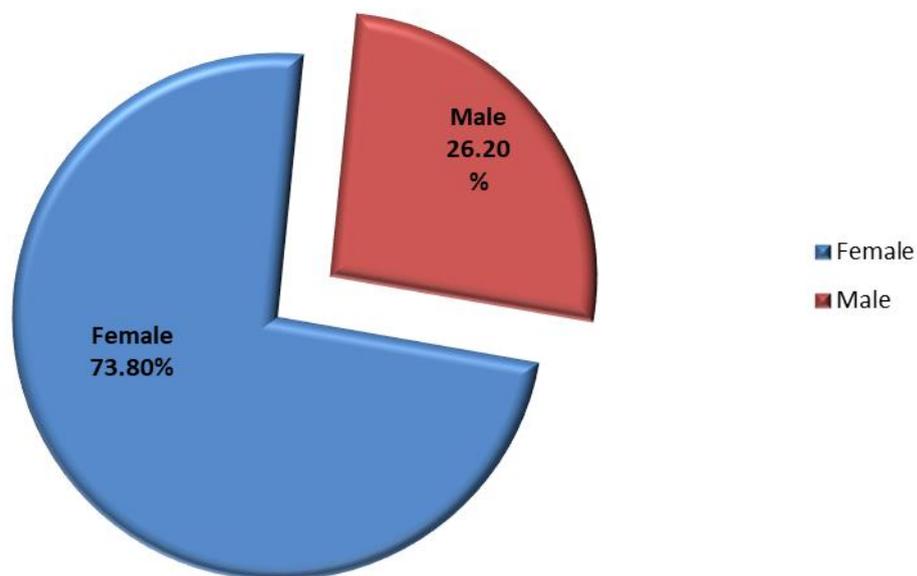
2.0 The Workforce Gender Profile

The total headcount as at 31st March 2018 was 332, this figure included c 57 staff from the GM HSCP. The gender profile of our workforce (Graph 1) continues to be predominantly female at 73.8% and 26.2% male. The majority of males employed by the organisation work full time (94.3%), however for females, this percentage drops to 78.4% (Graph 2). This gender distribution reflects the predominantly female workforce that can be found across the NHS with national figures highlighting 77% female and 23% male (as at September 2017, **NHS Digital**).

Nationally, figures released by the Office for National Statistics show a different picture. Based on the working population aged 16+, 47% are female and 53% are male (as at September 2017, Annual Population Survey).

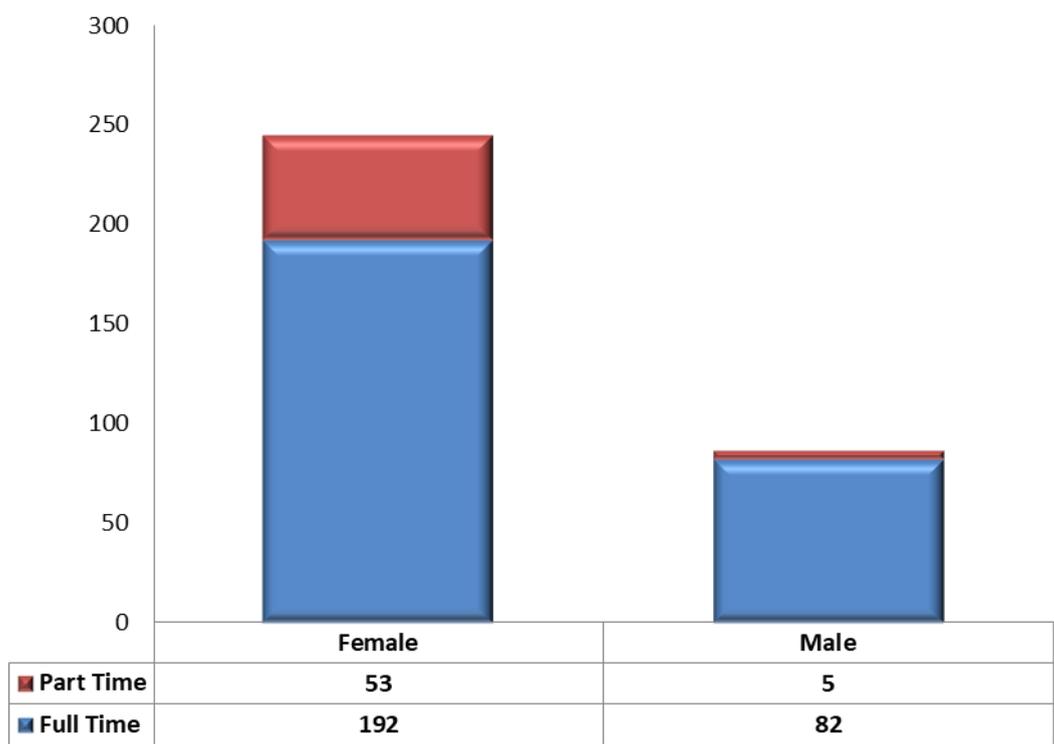
Graphs 3 and 4 outline the breakdown of the workforce by gender pay band at local (MCCG level) and nationally. MCCG workforce is generally comparable to the national NHS workforce in relation to gender and pay bands.

Graph 1 – Manchester CCG Split by Gender

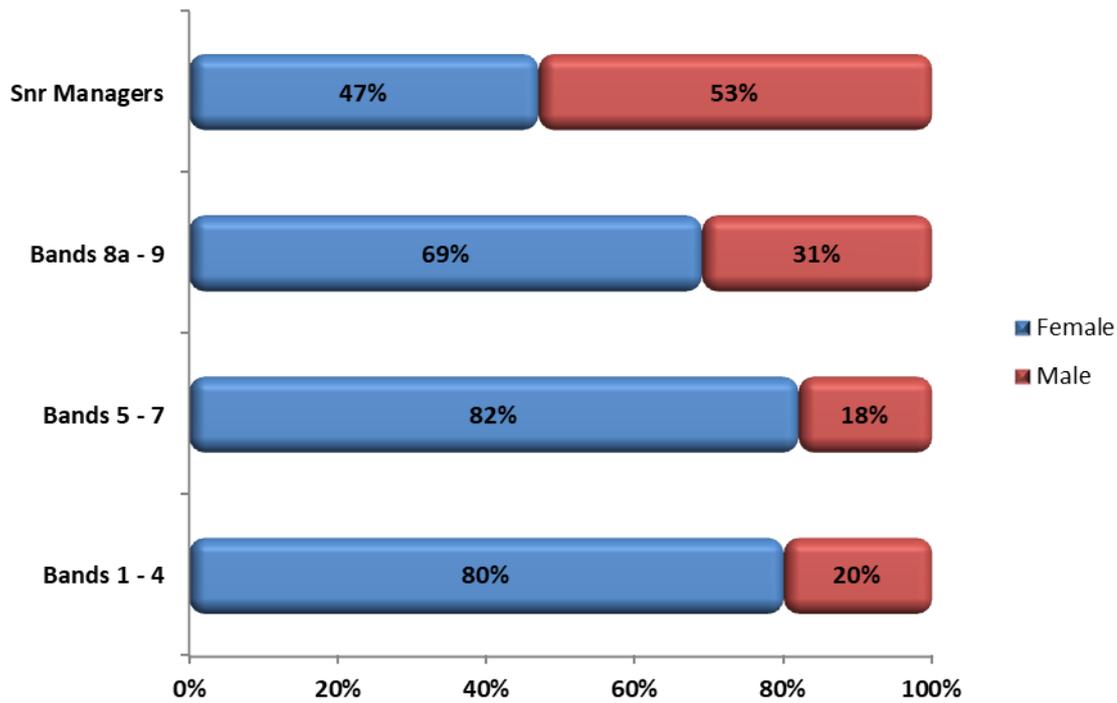


| Gender | Total Headcount | MCCG Headcount | GMHSCP Headcount |
|--------------------|-----------------|----------------|------------------|
| Female | 245 | 201 | 44 |
| Male | 87 | 74 | 13 |
| Grand Total | 332 | 275 | 57 |

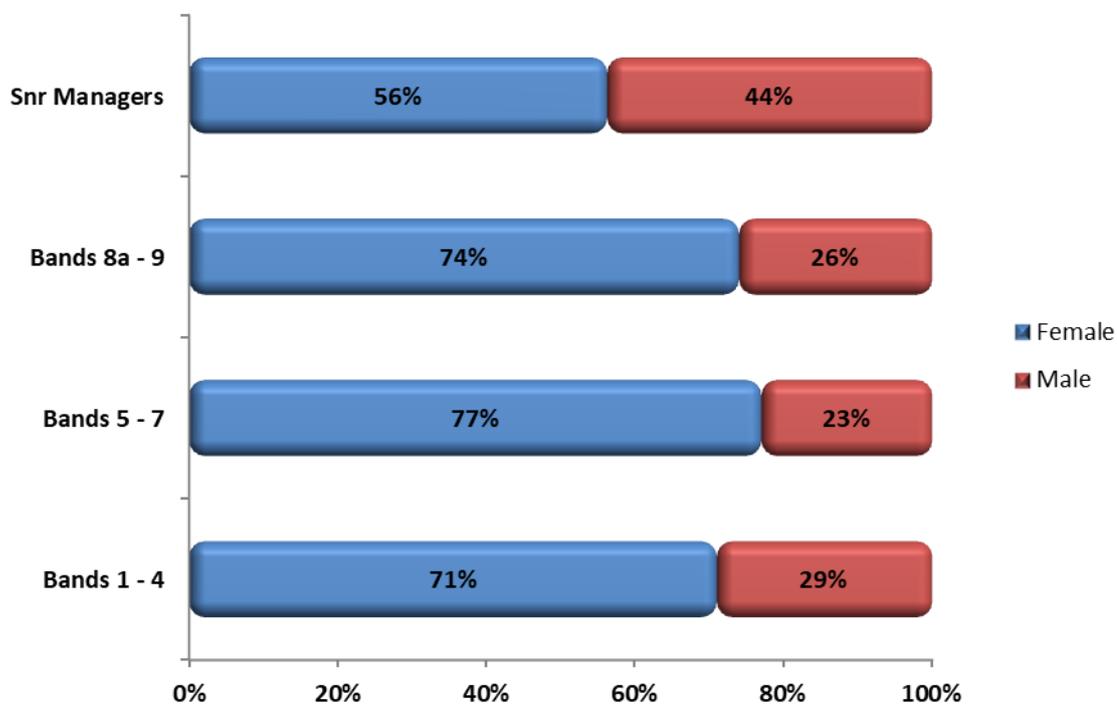
Graph 2 – Manchester CCG Gender Split by Working Hours



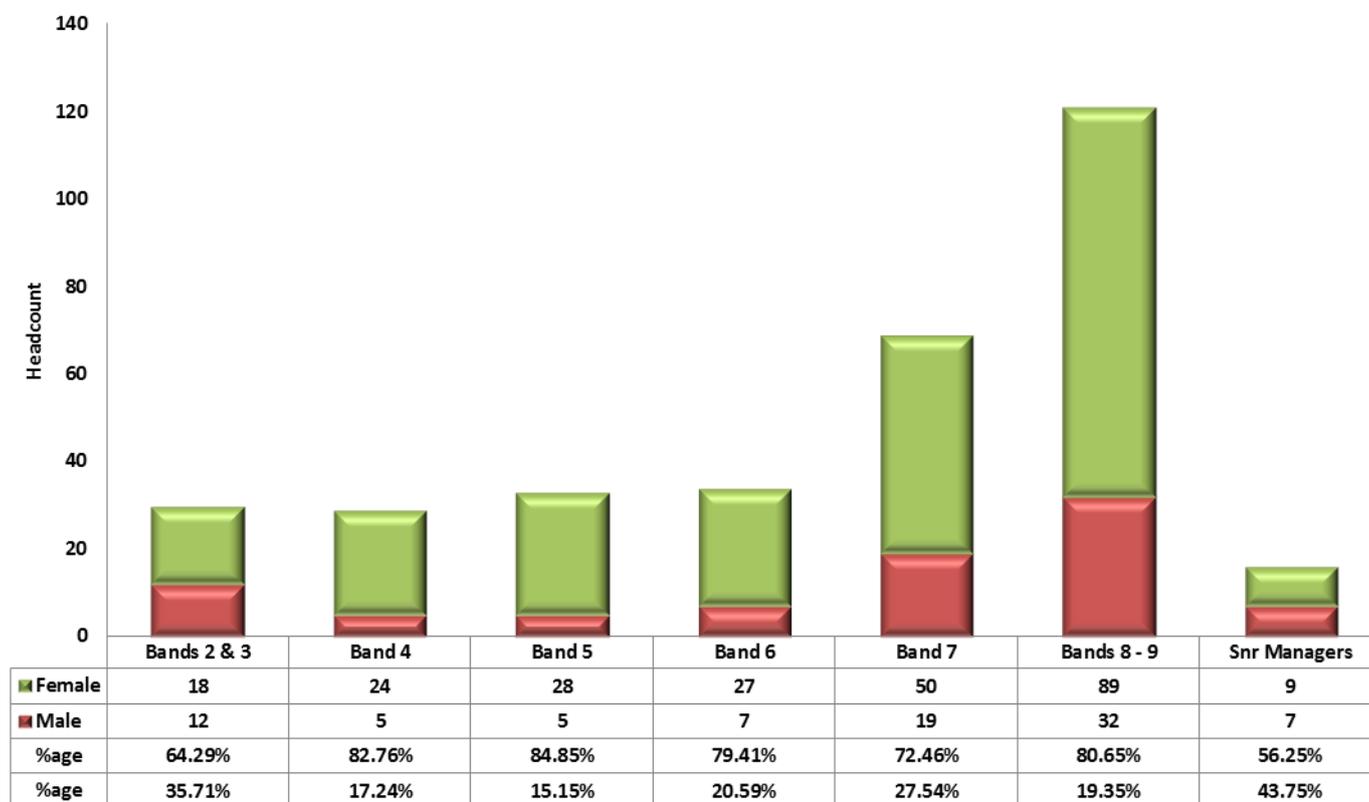
Graph 3 – National NHS Workforce by Pay Band by Gender (source NHS Digital Sept. '18)



Graph 4 – Manchester CCG Workforce by Pay Band by Gender (source ESR March 2018)



Graph 5 – Manchester CCG Gender Split by Headcount and Pay Band



3.0 Manchester CCG Gender Pay Gap Indicator Results

3.1 Average Gender Pay Gap as a Mean Average for Manchester CCG

Table 1 (a) (MCCG only)

| | Female | Male | Difference | % diff |
|------------------|--------|-------|------------|--------|
| Mean hourly rate | 20.45 | 21.22 | 0.77 | 3.63% |

Table 1 (b) (MCCG & GMH&SCP)

| | Female | Male | Difference | % diff |
|------------------|--------|--------|------------|--------|
| Mean hourly rate | £20.94 | £22.98 | £2.04 | 8.86% |

A mean average involves adding up all of the numbers and dividing the result by how many numbers were in the list. Table 1 indicates that men earn on average £0.77 per hour more than female employees, and as a percentage men earn 3.36% more than women within MCCG.

Men are over represented in the higher pay bands (8B – VSM) when compared to the overall workforce profile as describes in section 2 of the report when taking into account the partnership hence the wider gap.

3.2 Average Gender Pay Gap as a Median Average for MCCG

Table 2 (a) (MCCG)

| | Female | Male | Difference | % diff |
|--------------------|--------|--------|------------|--------|
| Median hourly rate | £20.68 | £19.63 | £-1.05 | -5.35% |

Table 2 (b) (MCCG & GMH&SCP)

| | Female | Male | Difference | % diff |
|--------------------|--------|--------|------------|--------|
| Median hourly rate | £19.98 | £20.68 | £0.69 | 3.36% |

A Median Average involves listing all of the numbers in numerical order. If there are an odd number of results, the median is the middle number. If there is an even number for results, the median will be the mean of the central numbers. Table 2 a and b indicates that the median pay for men and women is similar with a pay difference of £0.69 (3.36%) This figure includes the partnership. This is within the Equality and Human Rights Commission threshold for further scrutiny and action with regard to unfair gender differences in relation to pay.

3.3 Average Bonus gender pay gap as a mean average

Not applicable to MCCG as bonus payments do not form part of an employee’s terms and conditions of employment

3.4 Average Bonus gender pay as a median average

Not applicable to MCCG as bonus payments do not form part of an employee’s terms and conditions of employment

3.5 Proportion of males receiving a bonus payment and proportion of females receiving as bonus payment

Not applicable to MCCG as bonus payments do not form part of an employee’s terms and conditions of employment

3.6 Proportion of males and females when divided into 4 groups ordered from lowest to highest pay

Table 3

| Quartile | % of all females in quartile (number in quartile) | % of all males in quartile (number in quartile) |
|------------------------|--|--|
| 1 – Lower | 73.75% (59) | 26.25% (21) |
| 2 – Lower middle | 75.90% (63) | 24.10% (20) |
| 3 – Upper middle | 77.50% (62) | 22.50% (18) |
| 4 - Upper | 68.54% (61) | 31.46% (28) |
| Total Employees | (245) | (87) |

Table 4 – Quartile Bandings by Pay Range

| Quartile | Low | High |
|------------------|--------|--------|
| 1 – Lower | £8.14 | £13.07 |
| 2 – Lower middle | £13.59 | £19.32 |
| 3 – Upper middle | £19.98 | £23.69 |
| 4 - Upper | £24.08 | £80.00 |
| | | |

This data is not a comparative between male and female pay. It details pay ranges for both male and female employees.

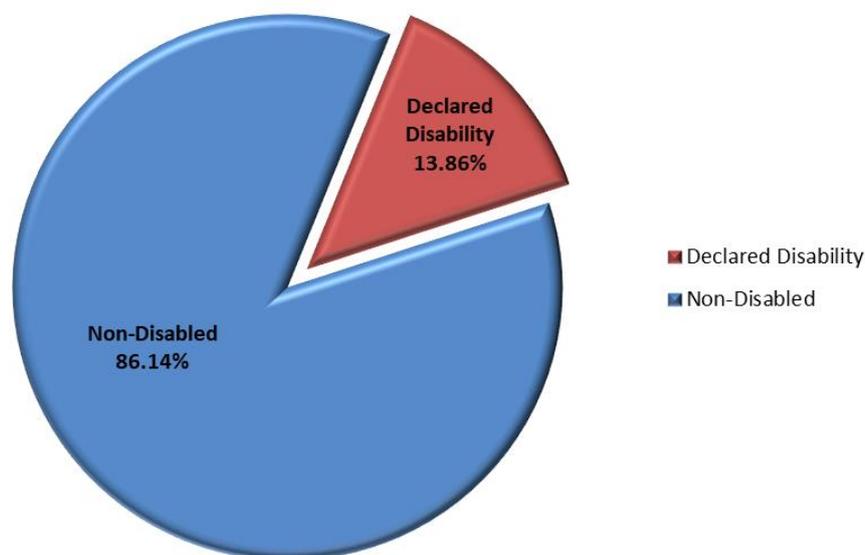
To determine the proportion of employees in each quartile pay band, all employees are placed into the cumulative order according to their pay which is then divided into 4 equal parts.

When analysing the total percentage of all females and males by quartile it is evident that there are a greater proportion of males paid in the lower and upper quartiles whilst overall the proportion of women being paid across all quartiles is similar.

4. 0 Disability Pay Reporting

4.1 Disability Pay reporting has been included into the report as part of MCCG’s overall commitment to Inclusion and Social Values. The organisational Workforce Disability profile is described in Graph 6.

Graph 6 – Manchester CCG Split by Disability



We recognise that not all disabled employees feel able to declare their impairment. We are working towards providing a safe and secure place for all people to feel able to declare to declare as disabled person without fear or concern. This data counts the number of employees who have declared impairment to us currently.

4.2 Average Disability Pay Gap as a Mean Average for Manchester CCG

Table 6

| | Declared Disability | Non-Disabled | Difference | % diff |
|------------------|---------------------|--------------|------------|--------|
| Mean hourly rate | £21.15 | £21.01 | -£0.14 | -0.66% |

A mean average involves adding up all of the numbers and dividing the result by how many numbers were in the list.

4.3 Average Disability Pay Gap as a Median Average for Manchester CCG

Table 7

| | Declared Disability | Non-Disabled | Difference | % diff |
|--------------------|---------------------|--------------|------------|--------|
| Median hourly rate | £20.68 | £19.32 | -£1.36 | -6.58% |

A Median Average involves listing all of the numbers in numerical order. If there are an odd number of results, the median is the middle number. If there is an even number for results, the median will be the mean of the central numbers.

Table 8 - Proportion of Declared and No Disability when Divided into Four Groups from Lowest to Highest Pay

| Quartile | % of all declared in quartile (number in quartile) | % of all no disability in quartile (number in quartile) |
|------------------------|--|---|
| 1 – Lower | 3.33% | 96.67% |
| 2 – Lower middle | 4.55% | 95.45% |
| 3 – Upper middle | 11.67% | 88.33% |
| 4 - Upper | 3.03% | 96.97% |
| Total Employees | 14 | 87 |

The data in Table 8 is not representative of the full workforce. It is based on positive responses from employees who have declared a disability or no disability.

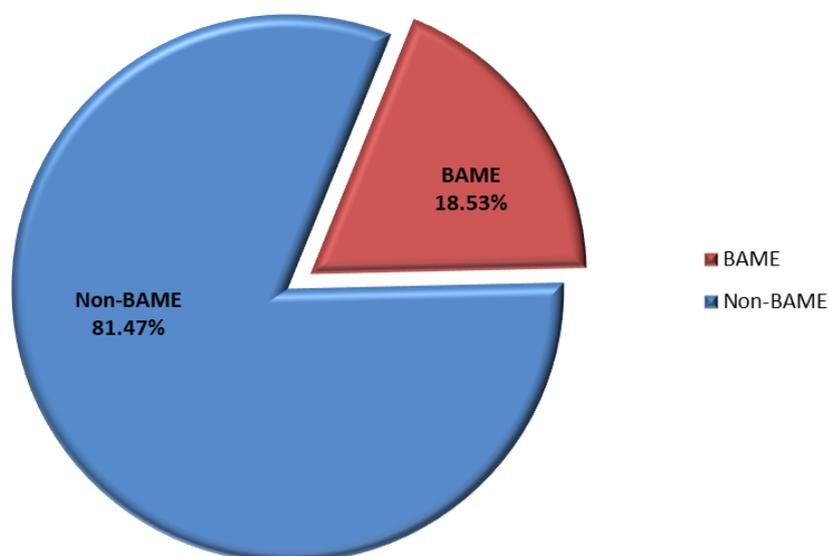
Overall, the numbers of employees disclosing a disability is very low. This limits the statistical significance of the data in indicating whether or not there is a pay gap for this group of employees.

As part of our Inclusion and Social Values Strategy 2018 - 2023, work continues to be undertaken to achieve the cultural changes necessary for the organisation to improve its ability to attract, recruit and retain disabled people at all levels and promote an inclusive environment where existing employees feel confident in disclosing impairment. Further updates on this will be provided in the next report.

5.0 Ethnicity Pay Reporting

5.1 Ethnicity Pay Reporting has been included into the report as part of MCCG’s overall commitment to Inclusion and Social Values. The organisational Workforce Ethnicity profile is described in Graph 7.

Graph 7 – Manchester CCG Split by Ethnicity



5.2 Average Ethnicity Pay Gap as a Mean Average for Manchester CCG

Table 10

| | BAME | Non-BAME | Difference | % diff |
|------------------|--------|----------|------------|--------|
| Mean hourly rate | £20.58 | £21.71 | £1.13 | 5.20% |

A mean average involves adding up all of the numbers and dividing the result by how many numbers were in the list.

5.3 Average Ethnicity Pay Gap as a Median Average for Manchester CCG

Table 11

| | BAME | Non-BAME | Difference | % diff |
|--------------------|--------|----------|------------|--------|
| Median hourly rate | £19.02 | £19.98 | £0.96 | 4.80% |

A Median Average involves listing all of the numbers in numerical order. If there are an odd number of results, the median is the middle number. If there is an even number for results, the median will be the mean of the central numbers.

Table 12 - Proportion of BAME and Non-BAME Employees when divided into four groups from lowest to highest pay

| Quartile | % of BAME Employees in quartile (number in quartile) | % of Non-BAME Employees in quartile (number in quartile) |
|------------------------|---|---|
| 1 – Lower | 20.27% (15) | 79.73% (59) |
| 2 – Lower middle | 18.52% (15) | 81.48% (66) |
| 3 – Upper middle | 20.55% (15) | 79.45% (58) |
| 4 - Upper | 15.29% (13) | 84.71% (72) |
| Total Employees | 58 | 255 |

The data in the table is not representative of the full workforce. It is based on positive responses from employees who have declared their ethnicity.

MCCG is continuing to work towards a workforce that is more representative of the local community. During 2018 a range of actions have been implemented to increase the number of employees employed from a BAME background. Ongoing programmes of work planned as part of the Inclusion and Social Value Strategy, 2018 - 2023. We will continue to focus on the creation of an organisational culture which attracts recruits and retains BAME employees at all levels.

6.0 Conclusion

In response to the median and mean pay gap we are addressing our concerns by analysing some changes in the overall make-up of the workforce over the last 12 months.

There are two areas for investigation. The first area is the possibility of a reduction in the large number of males in lower paid roles due to a transfer out of services. The second area for investigation is the impact of the addition of the new cohort of employees from GMHSCP.

We are not complacent about the disparities which have been identified in this year's report and will direct our efforts to reduce any pay gaps. This includes focusing on BAME and disabled employees across all pay gaps. This is reflected in the actions we are taking to address fairness in recruitment, retention and career development.

The organisation continues to adhere to a nationally set job evaluation and national pay framework. Helpful guidance is provided by the NHS national terms and conditions of service handbook which contains the national agreements on pay and conditions of service for NHS staff other than very senior managers.

7.0 Next Steps

Whilst the report has not highlighted pay gap issues of relative concern, MCCG remains committed to becoming an employer of choice and developing a more representative and inclusive workforce. This means continuing to work towards a culture where everyone, both current and prospective employees are treated fairly based on equitable practices.

The focus for further work is to:

- Implement the Inclusion and Social Value 2018 – 2023 delivery plan to create a culture which attracts recruits, retains and develops people from a wide range of diverse backgrounds through the adoption of our Ten Point Recruitment Plan. This plan brings together the wide range of targeted activity we will undertake to ensure discrimination and disadvantage by protected characteristic or otherwise are recognised and removed from practice. Additionally we are working across the organisation to identify and promote increased flexibility in working practice as we are aware that a lack of flexible working options can be a significant barrier to women in the workplace.
- Implement our ongoing Workforce Race Equality Standard actions and achieve Disability Confident Leader Standard.