

# Gender Pay Gap

**March 2023**

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## Gender Pay Gap (GPG) 2023

The GPG shows the difference in the average earnings between male and female employees in six different ways. We recognise that the current legislation for reporting on GPG and the limitations of ESR mean that we are bound to report on data within the binary of male and female, and that this does not represent trans and non-binary colleagues in a truly inclusive manner. The GPG reports on:

1. Mean gender pay gap – ordinary pay.
2. Median gender pay gap – ordinary pay.
3. Mean gender pay gap – bonus pay in the 12 months ending 31 March.
4. Median gender pay gap – bonus pay in the 12 months ending 31 March.
5. The proportion of male and female employees paid a bonus in the 12 months ending 31 March.
6. The proportion of male and female employees in each quartile.

The mean gender pay gap is the difference between the mean hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees. The median gender pay gap is the difference between the median hourly rate of pay for male full-pay relevant employees and that of female full-pay relevant employees.

### Gender pay gap calculations

- The overall % of female employees has increased from 64.0% to 66.0%
- Our mean pay gap has increased from 7.9% from 2022 to 9.8%
- Our median gender pay gap has increased from 10.4% in 2022 to 12.3%
- Our mean bonus pay gap is -68% and our median bonus pay is -91.2%
- Females occupied 52.0% of the highest paid roles (upper quartile) which is lower than the organisation profile of 66.0% (**see Annex 1 for workforce profile**)
- Females occupied 74.2% of the lower quartile.

**For full details of the Gender Pay Gap metrics and data, please see Annex 2**

### Gender pay gap 2023 considered impacts

- Female promotions from band 7 to band 8a are not proportionate to the gender profile of band 7. At band 7 within our organisation, the gender profile is 69% female and 31% male. Within the reporting period of 1 April 2022 to 31 March 2023, 54% females were promoted to band 8a roles or above and 46% male.
- We continue to employ more males in senior pay bands than females and more females in pay band 3-5 than males. Employing more females than males in the lower bands and conversely, employing more males than females in the senior bands is a key driver in the widening of our gender pay gap.
- On average, females earn more than males in bands 4 and 5.
- The data shows that there is a higher turnover of female employees in senior pay bands with most leaving NHS Resolution due to promotions.
- Further action will be taken to understand why females in senior roles are leaving the organisation and measures put in place to help retain our senior female workforce

## **Actions taken in 2023:**

In addition to the considered impacts above, additional actions have been taken in response to the data. Many continue into 2024 as we strive to improve our services and support for staff.

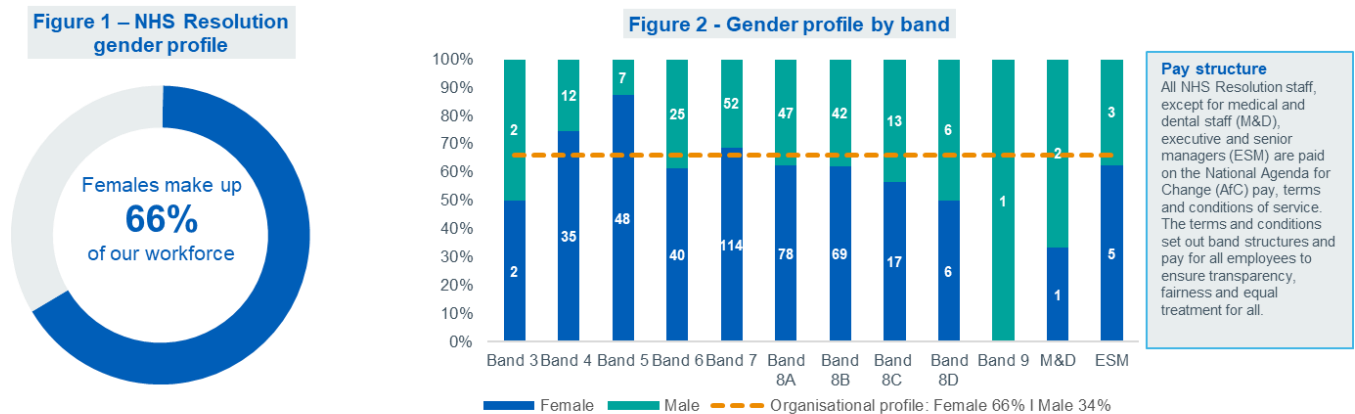
- We continue to review our language, images and branding used to promote and advertise roles and careers within our organisation. This is now part of an Employee Value Proposition (EVP) project.
- We are working with recruitment managers and selection panel members, offering regular one-to-one support and ensuring the range of flexible working opportunities are available to all staff.
- Our LinkedIn page has been utilised to attract a more diverse range of prospective staff.
- We have achieved Disability Confidence Leader (Level 3) and this provides new avenues for recruitment, demonstrates a dedication to creating equal opportunities and showcases our commitment to supporting staff.
- We have developed an Inclusive talent management and succession planning strategy which has been launched with our deputy director cohort and will be launched in line with corporate priorities.

## **Next steps**

We have a plan of actions following a diagnostic and our findings in the staff inclusion survey, these are detailed in our revised EDI people pillar for the period to April 2024. A newly formed EDI sub-group consisting of members from SMT, ODG and HR&OD will continue to drive this work throughout 2024, regular updates will be made available to all staff.

## Annex 1: Workforce profile

When considering our GPG, it is important to understand our gender profile across the organisation and by pay band at the time of reporting. As of 31 March 2023, the snapshot of our gender workforce was:



### Gender profile by band

Historically, we have seen that more males make up the senior manager pay bands. Though we have seen a positive shift in the female profile in our senior manager pay bands this year, it was not enough to bridge the average GPG, which has increased from 7.9% in 2022 to 9.8%. This is also due to a large proportion of vacancies in junior grades (Bands 3-6) being filled by female employees.

- Females made up 63% (31 employees) of the internal senior pay band promotions compared to 37% (18 employees) males.
- While bands 6 to 8b and Executive Senior Management (ESM) are generally reflective of the organisation's gender profile, there is an upwards trend in employing more female staff in bands 4 and 5.
- While the number of females employed in senior roles has increased, the percentage increase in males employed in senior roles is higher than females; this is due to the high number of voluntary female leavers within the senior pay bands.
- In bands 3-7, there is a percentage increase of 18% females compared to decrease of 2% in males.

Despite the increase in females appointed into senior roles, this activity is not enough to decrease our gender pay gap due to a large proportion of vacancies in lower paid roles being filled by female employees.

## Annex 2: Gender Pay Gap 2023

NHS Resolution has a mean GPG of 9.8%, which is an increase from 7.9% in 2022. The median GPG has increased from 10.4% in 2022 to 12.3%.

Table 4 and figure 3 highlight the gender distribution across four equally sized quartiles. The quartile calculation helps to identify the impact or cause of our GPG.

Within NHS Resolution, females occupied 52% of the highest paid roles (upper quartile), however this is not proportionate to the organisation's gender profile and represents a decrease in 2% compared to the percentage of females in the upper quartile in 2022. Most employees employed in the lower quartile were female with 74.2% and the largest percentage change was in the lower middle quartile, where females made up 72.2%, which is an increase of 8.4% compared to last year. While the upper middle quartile is largely reflective of the organisation's gender profile, our data shows a higher proportion of males in the upper quartile and a lower proportion in the lower and lower middle, which is a key driver in our GPG.

Table 1: Ordinary pay mean and median pay gap

|                       | 2021/2022 | 2022/2023 |
|-----------------------|-----------|-----------|
| Mean gender pay gap   | 7.9%      | 9.8%      |
| Median gender pay gap | 10.4%     | 12.3%     |

Table 2: Bonus mean and median pay gap

|                             | 2021/2022 | 2022/2023 |
|-----------------------------|-----------|-----------|
| Mean gender bonus pay gap   | 0%        | 68%       |
| Median gender bonus pay gap | 0%        | 91.2%     |

Table 3: Proportion of staff paid a bonus

|        | 2021/2022 | 2022/2023 |
|--------|-----------|-----------|
| Female | 0%        | 0.96%     |
| Male   | 0%        | 0.5%      |

Table 4: Number of employees by gender in each quartile

|                       | 2023 Rates |      | 2022 Rates |      | % change |
|-----------------------|------------|------|------------|------|----------|
|                       | Female     | Male | Female     | Male |          |
| Lower Quartile        | 112        | 39   | 91         | 38   | 4.0%     |
| Lower Middle Quartile | 109        | 42   | 83         | 47   | 8.4%     |
| Upper Middle Quartile | 97         | 55   | 84         | 46   | -1.4%    |
| Upper Quartile        | 79         | 73   | 71         | 59   | -2.0%    |

Figure 3: Percentage of employees by gender in each quartile

