

Parliamentary and Health Service Ombudsman Gender Pay Gap Report 2018

Snapshot date: 31 March 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.

As at 31 March 2018, we employed 421 staff of whom 57% were female and 43% male. Most of our people are based in Manchester, with some based in our London office.

Remuneration policy

We operate an organisation-specific pay structure based on pay ranges for each discrete job in the organisation. Each range reflects the market rate for the skills and knowledge required for the job. As employees successfully develop their skills and knowledge they progress, based on performance, up to the maximum of their pay range.

The only exceptions to this structure are those relating to Clinical Advisers and the Executive Team. Clinical Advisers are NHS Consultants paid under the terms of the relevant NHS Consultant Contract and their pay is therefore set by NHS England. The framework for the remuneration of the Executive Team is set by the Remuneration Committee of the Board. We comply with our obligations as a public body and operate our pay structure within current public sector pay rules and pay restraint.

2. What is our gender pay gap?

Based on the Government's methodology, as at 31 March 2018 we had a mean gender pay gap of 10.7% calculated as the percentage difference between the average hourly salary for men (£20.70) and the average hourly salary for women (£18.50). Our median gender pay gap of -0.2% is calculated as the percentage difference between the mid-point hourly salary for men (£14.96) and the mid-point hourly salary for women (£14.99).

It is important to recognise that the 10.7% mean gender pay gap is not the same as saying women and men are being paid differently for doing the same job (which would be an equal pay issue).

It is also important to note the difference between the mean pay gap and the median pay gap, which is almost zero. This difference is explained by a small number of clinicians whose pay we do not set. If the gender pay gap is calculated based only on those employees for whom the Ombudsman sets the salary (excluding NHS Consultants contracted as Clinical Advisers) the mean pay gap is -4.9%. This is the difference between the average hourly pay for men (£17.30) and the average hourly pay for women (£18.10). The median pay gap based on this calculation is -6%. This is based on the difference between the mid-point hourly salary for men (£13.87) and the mid-point hourly salary for women (£14.71).

It is apparent from this analysis that NHS pay scales for Consultants, combined with the majority of NHS Consultants being male, have a disproportionate impact on our gender pay gap. This is a systemic issue that was recognised in the reporting of the gender pay gap in the

NHS as at 31 March 2017. For example, a BBC report at the time stated that two-thirds of consultants were men and only 5% of the top earning consultants in England were women.

3. What is our bonus gender pay gap?

We do not have a bonus gender pay gap as we do not pay bonuses other than as non-consolidated pay at executive level. The pay gap arising from non-consolidated pay at executive level in 2017/18 was -11%. This means that payments to female executives were 11% higher than those paid to male executives.

In 2017/18 the only other rewards related to performance were consolidated salary payments and therefore included in the analysis above. For the small number of staff that had reached the top of their pay range these payments were made as non-consolidated salary payments.

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

	Female	Male
Upper quartile	56%	44%
Upper middle quartile	55%	45%
Lower middle quartile	49%	51%
Lower quartile	64%	36%

57% of our staff are women and this is broadly reflected in the pay quartiles above the median. There are fewer men paid at the lower quartile and we will continue to analyse the drivers for this to establish what actions may be appropriate.

5. Addressing the gender pay gap

Recruitment and remuneration

We will use data to explore progression rates, better understand the drivers of the pay gaps at all levels, and to develop our new pay strategy using analysis of this data to ensure salary decisions, meet our equality and diversity standards. We will review how we attract more women into Clinical Adviser roles.

Flexible working

We have a flexible working policy, which will be refreshed as an opportunity to influence organisational culture and thinking. Flexible working opportunities will be actively promoted to existing and prospective employees. We will also promote and encourage the take up of shared parental leave.