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WALES

Bwrdd Iechyd Prifysgol  
Aneurin Bevan  
University Health Board



# GENDER PAY GAP ■ ■

The following report provides a summary of conclusions drawn from the analysis of statistics in relation to the gender pay gap (snapshot of 31 March 2023), together with an outline of intended aims and future positive action.



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# SUMMARY

The Health Board's workforce is predominantly female, this is similar to most NHS organisations. Whilst national pay scales, supported by local starting salary and pay progression processes are designed to support equity and fairness, we have identified a gender pay gap across the workforce.

## INTRODUCTION

The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 (the "Regulations") set out a public authority's gender pay gap reporting duties, which form part of its public sector equality duty under the Equality Act 2010.

The Regulations set out the requirements for organisations with more than 250 employees to calculate and publish their gender pay gap information.

Greater transparency in pay gap reporting is designed to help organisations better understand the issues that give rise to, and sustain gaps in average pay between men and women, and to encourage organisations to take steps to tackle them.

## BACKGROUND

The publication of the Agenda for Change white paper in 1999 set out a consistent set of pay bands and job evaluations that cut across occupational groups and aimed to provide equal pay for work of equal value. An important goal of Agenda for Change (AfC) was to ensure the NHS had a pay system that addressed unwarranted differences in the pay of men and women in the NHS.

All Aneurin Bevan University Health Board staff, except for medical staff, executives and very senior managers are paid on the AfC pay, terms and conditions of service. For this report, this group of staff will be referred to as Non-Agenda for Change (Non-AfC). Around 94% of Aneurin Bevan University Health Board staff are included in the AfC system. The pay and terms of conditions of Non-AfC staff are determined through other locally and nationally negotiated contracts.



# USEFUL DEFINITIONS

## EQUAL PAY AND GENDER PAY GAP

The NHS Terms and Conditions of Service ensure that pay within the NHS is consistent with the requirements of equal pay law.

It is important to appreciate that the gender pay gap and equal pay are two distinct concepts:

- Equal pay is concerned with men and women earning equal pay for the same, or similar, work.
- The gender pay gap is about the difference between men's and women's average pay within an organisation.

## MEAN AND MEDIAN GENDER PAY GAP

Calculating the mean gender pay gap involves adding the hourly rates for all male full pay employees and then for all female full pay employees in two groups and then dividing these totals by the number of male or female full pay employees in each list. The employer then needs to subtract the standard female hourly rate from the standard male hourly rate, divide the total by the standard male hourly rate, and multiply the figure by 100. This will give a percentage difference in pay. A positive percentage means women are paid a lower average hourly rate.

To calculate the median, the hourly rates need to be ranked from lowest to highest in two groups: one male and one female.

The median is the midpoint in each ranked list. Again, a percentage calculation is to be carried out. The employer needs to subtract the median female hourly rate from the median male hourly rate, divide by the median male rate and multiply by 100. The median figure can be seen as the most representative of the average male and female employee but pay distribution and increases amongst staff are rarely even and so the median figure does not account for a concentration of high earners. The mean can be seen as more accurately reflecting the gender pay gap where there are more men in high paying senior positions.

## GENDER IDENTITY

It is important to note that sex and gender are terms that are often used interchangeably but they are in fact two different concepts. The World Health Organisation describes sex as characteristics that are biologically defined and identified at birth, whereas gender is based on socially constructed features and is a personal, internal perception of oneself. We recognise that an individual can identify as more than male or female. The Gender Pay Gap mandates the use of male and female as comparators and therefore may not be representative of everyone at Aneurin Bevan University Health Board.

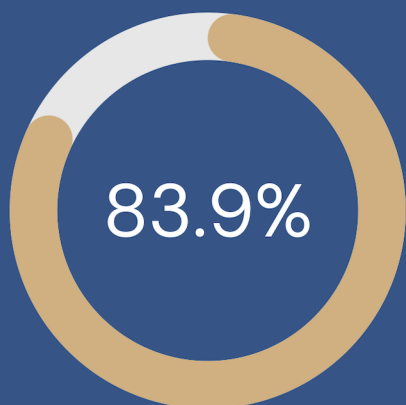


# GENDER PROFILE

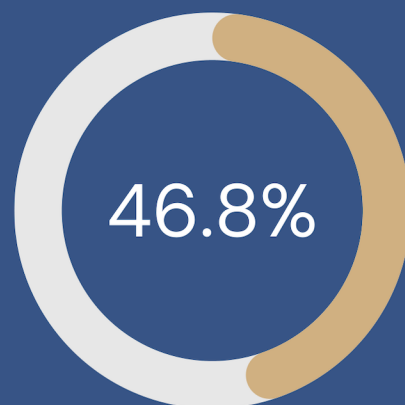


Our workforce is predominately female, which is reflective of the majority of NHS Health Boards in Wales.

On the 31 March 2023, ABUHB employed 12189 (10124.24 FTE) women and 2753 (2551.86 FTE) men therefore, 81.23% of the workforce was female, total headcount is 14942.



AfC breakdown was 11770 (9762.66 FTE) women and 2261 (2096.41 FTE) men, therefore 83.89% of AfC workforce was female.



Non-AfC employee breakdown was 437 (371.99 FTE) women and 496 (457.85 FTE) men, therefore 46.84% of Non-AfC workforce was female.

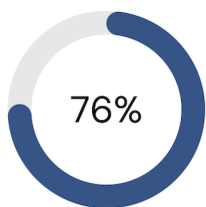


# OUR ANALYSIS

## Positioning of male and female AfC employees across quartile pay bands

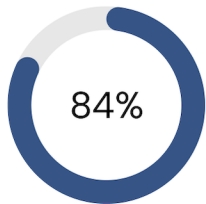
Organisations are required to publish details of the positioning of male and female employees according to quartile pay bands.

The hourly pay rate for each AfC employee has been established, and all employees (male and female together) are ranked from lowest to highest paid and then divided into four pay bands. The gender split in each quartile is then calculated as a percentage.



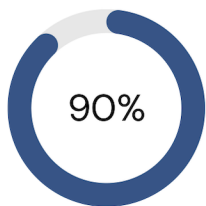
### Quartile 1: Lower Quartile (Lowest Paid)

76% Female  
24% Male



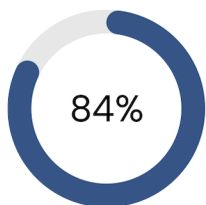
### Quartile 2: Lower Middle Quartile

84% Female  
16% Male



### Quartile 3: Upper Middle Quartile

90% Female  
10% Male



### Quartile 4: Upper Quartile (Highest Paid)

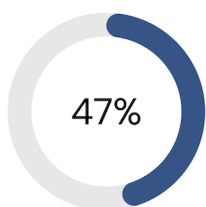
84% Female  
16% Male



## Positioning of male and female Non-AfC employees across quartile pay bands

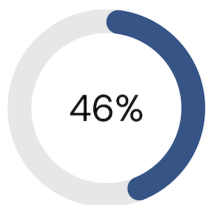
Organisations are required to publish details of the positioning of male and female employees according to quartile pay bands.

The hourly pay rate for each Non-AfC employee has been established, and all employees (male and female together) are ranked from lowest to highest paid and then divided into four pay bands. The gender split in each quartile is then calculated as a percentage.



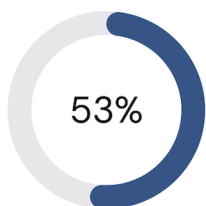
### Quartile 1: Lower Quartile (Lowest Paid)

47% Female  
53% Male



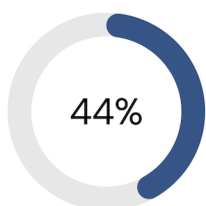
### Quartile 2: Lower Middle Quartile

46% Female  
54% Male



### Quartile 3: Upper Middle Quartile

53% Female  
47% Male



### Quartile 4: Upper Quartile (Highest Paid)

44% Female  
56% Male



## AfC Mean and Median Hourly Rates

**Table 1** outlines our mean and median gender pay gap in hourly pay between our female and male AfC workforce, the mean hourly pay gap is 2.66% and the median hourly pay gap is 16.20%.

	Mean Hourly Rate	Median Hourly Rate
Male	£16.57	£18.46
Female	£16.13	£15.47
Difference	£0.44	£2.99
Pay Gap %	2.66%	16.20%

When comparing median hourly pay for AfC employees, in this Health Board, women earn 83p for every £1 that men earn.

The mean and median pay gap numbers have however reduced since 2022; The mean pay gap has dropped from 2.70% to 2.66% and the median pay gap from 18.72% to 16.20%.

## Non – AfC Mean and Median Hourly Rates

**Table 2** outlines our mean and median gender pay gap in hourly pay between our female and male Non–AfC workforce, the mean hourly pay gap is 3.32% and the median hourly pay gap is 5.41%.

	Mean Hourly Rate	Median Hourly Rate
Male	£47.22	£43.44
Female	£45.65	£41.09
Difference	£1.57	£2.35
Pay Gap %	3.32%	5.41%

When comparing median hourly pay for Non–AfC employees, in this Health Board, women earn 96p for every £1 that men earn.

## Mean and Median Bonus Gender Pay Gap

**Table 3** outlines our mean and median bonus gender pay gap. For this year's calculations, relevant bonus pay relates to the National Clinical Impact Award (NCIA) scheme in England and Wales – formerly the National Clinical Excellence Awards (NCEA) scheme. The scheme aims to reward the consultants who contribute most to the delivery of safe and high-quality care and the improvement of NHS services. This includes consultants and senior academic GPs who do so through their contribution to academic medicine.

	Mean Bonus Pay	Median Bonus Pay
Male	£36,934	£36,934
Female	£36,934	£36,934
Difference	0	0
Pay Gap %	0%	0%

The NCIA's awarded to eligible consultants who applied for 2023, were all given the same amount, resulting a 0% difference

**Table 4** outlines the proportion of males and females receiving a bonus payment. For this year’s calculations, relevant bonus pay relates to the NCIA scheme

Gender	Number of Employees receiving a bonus	Total Relevant Employees Eligible for Bonus	%
Male	4	496	0.81%
Female	1	437	0.23%

## CONCLUSIONS

The gender pay gap within the Health Board is showing a mean pay difference in favour of males by 2.66% and a median in favour of males of 16.20% difference. Both of which have shown a steady decrease over the time the Health Board has been reporting on the gender pay gap.

The Health Board has seen a decrease in the AfC median gender pay gap over the last year from 18.72% to 16.20%, this represents a 2.52% decrease from 2022, moving in the right direction. However, the gap between men’s and women’s pay remains notable, particularly in an organisation where women are employed in significantly greater proportions than men at almost all levels.

It is important to note that NHS terms and conditions determine the pay structure for those on AfC contracts. The Job Evaluation system matches job roles to nationally agreed profiles and pay bands. Pay increases in each band are determined by the length of service, and pay rises occur when an individual reaches a "pay step". When the top of the pay band is reached, there are no further rises in that pay band.

AfC is having a positive impact on our gender pay gap, and we are seeing a steady decline. However, we know that female representation in the Medical and Dental staff group, as well as the most senior levels of our organisation, needs to be improved.

Indeed, the Medical and Dental staff group is the only staff group where there are more males employed than females (56% male to 44% female ratio). Overall, whilst the numbers involved in the Health Board's data are relatively small they make a significant difference to the percentage. Historically there has been an over-representation of males in the Consultant workforce (largely due to a lack of females recruited as students in medical school) and there is a recognition that the medical profession still has some way to go to be fully inclusive. This historical context and legacy working conditions will take some time to change. This impacts our ability to make progress at pace to decrease the gender pay gap within the Medical and Dental Consultant body. However, we are confident that this will change as more women progress in the profession.

In the quartile analysis of the AfC workforce, when considering the AfC data set, the gender split across the pay quartiles is generally representative of the overall 82:18 female-male split in the organisation. However, when considering the Non-AfC data set, this is not the case, demonstrating the inverse proportion of men in the high-paying staff groups, for example, Medical and Dental.

It is also worth noting that the largest staff group is Nursing and Midwifery, which amounts to just under 30% of our workforce. This staff group makes up the majority of the AfC clinical workforce at the Health Board and 92% of this staff group are female. When considering that entry-level is Band 5, this may account for why we have a larger proportion of females in Band 5 and 6 positions. Indeed, historically, we have seen more females than males in this profession, although this is changing.

One explanation which is often given for the gender pay gap is that women, generally, work fewer hours. Due to societal factors, females have traditionally taken career breaks, or been carers and this has led to more female staff working less than full-time to balance family life and child care. The cost of childcare has been identified as a particular problem that affects women's participation in the labour market. A [2017 report](#) from Working Families found that childcare costs account for a significant proportion of family expenditure and that the high cost of childcare has a great influence on whether parents, particularly mothers, choose to either give up work or reduce their working hours. Moreover, generally, women are more likely than men to be carers.

A survey carried out by Carers UK in 2022 found that 80% of carers are female. For many women, these factors have resulted in barriers to progression for women, resulting in fewer women progressing into the higher quartile pay bands, contributing to a gender pay gap.

In addition, generally, hourly rates of pay for part-time work tend to be lower than for full-time work and, with such a high percentage of women working part-time, their low hourly rates of pay mean that the gender pay gap for all employees is greater than that for full-time employees alone.

The introduction of policies around maternity and paternity leave, flexible working, and more inclusive working practices has brought more flexibility around family life and career choices. If we control for this dimension of effort or activity, we would expect to see that men and women earn similar salaries. To make meaningful comparisons, in future reporting, we will need to further split the sample into staff groups according to their contract types and explore the relationship between salary and hours worked. Furthermore, given that the ONS UK Labour Force Survey highlights that men tend to work part-time at the beginning and end of their working lives, whereas women do so in their middle years, it also recommended that the sample is further split into age groups according to their contract types and explore the relationship between salary and age.

## NEXT STEPS

We are not content with reviewing the Gender Pay Gap data each year and hoping that things will change with time. Before we develop dedicated and detailed actions in collaboration with our diversity steering groups, Trade Unions and other stakeholders, we would like to engage the support of a statistician to enable the Health Board to better understand the reasons for the pay gap. We will be working in collaboration with Cardiff University during 2024 to undertake the analysis and action required by the 'equal pay duty', to ensure its effectiveness and to make a lasting impact on gender pay disparities in the Health Board.

In the interim, we will further develop our Women's Network, established in March 2023, for the support and development of female staff. We recognise that the Network holds the potential not only to support co-production in the reduction of gender inequality like the pay gap but to also build up stronger peer-to-peer support and confidence amongst staff, as well as being a safe place for women to talk about the issues that mean most to them at work such as how to navigate work-life balance, flexible working, women's health, and upskilling for promotion opportunities.

We will also work to increase access to leadership and development opportunities – We need to ensure our female staff at lower bands have the confidence, skills and support to apply for posts at band 8A and above. Positive action plans are being developed in line with the Strategic Equality Plan for 2024 – 2028.

Finally, we know that the gender pay gap is about more than just gender. When we analyse our data, we need to consider the diversity of our workforce. The gender pay gap can also be impacted by protected characteristics and wider intersectionality. As we progress our work to better understand our gender pay gap, we will apply an intersectional lens to our gender pay gap analysis.



## GET IN TOUCH



Website

<https://abuhb.nhs.wales/>



Email

[abb.edi@Wales.nhs.uk](mailto:abb.edi@Wales.nhs.uk)