



**East Coast Community Healthcare CIC  
Gender Pay Gap Report**

**Snapshot Date: 31 March 2018**

**Published: April 2019**

## **About East Coast Community Healthcare CIC**

East Coast Community Healthcare CIC (ECCH) is a staff owned Social Enterprise, providing community based NHS and social care in Norfolk & Suffolk. ECCH is owned by its employees. Our staff have a stake – and therefore a real say – in how the organisation works. Around 82% of staff are shareholders - well above average for a social enterprise - and we have two Staff Directors, appointed by their shareholder colleagues, who sit on the Board and shape our business.

ECCH is committed to being an equal opportunities employer and to building equality, diversity and inclusion into everything that it does.

## **Gender Pay Gap Reporting**

Legislation has made it statutory for organisations with 250 or more employees to report annually on their gender pay gap. Government departments are covered by the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 which came into force on 31 March 2017. These regulations underpin the Public Sector Equality Duty and require the relevant organisations to publish their gender pay gap data by 4<sup>th</sup> April 2018 (and then annually), including mean and median gender pay gaps; the mean and median gender bonus gaps; the proportion of men and women who received bonuses; and the proportions of male and female employees in each pay quartile.

The gender pay gap shows the difference in the average pay between all men and women in a workforce. If a workforce has a particularly high gender pay gap, this can indicate there may be a number of issues to deal with and the individual calculations may help to identify what those issues are.

The gender pay gap is different to equal pay. Equal pay deals with the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value. It is unlawful to pay people unequally because they are a man or a woman.

East Coast Community Healthcare CIC supports the fair treatment and reward of all staff irrespective of gender.

This report sets out:

- the reporting requirements for East Coast Community Healthcare CIC;
- provides additional data where appropriate;
- provides some analysis to identify the gender pay gap;
- possible reasons for the gender pay gap; and
- what we are doing to close the gender pay gap in the organisation.

## **Definitions and Scope**

The gender pay gap is defined as the difference between the mean or median hourly rate of pay that male and female colleagues receive.

The mean pay gap is the difference between average hourly earnings of men and women. Namely, the hourly gap divided by the average for men equates to the mean gender pay gap.

The median pay gap is the difference between the midpoints in the ranges of hourly earnings of men and women. It takes all salaries in the sample, lines them up in order from lowest to highest, and picks the middle-most salary.

The report is based on rates of pay as at 31 March 2018. It includes all employees in scope at 31 March 2018.

## Gender Pay Gap

The following Gender pay report data is taken as the snapshot date of 31 March 2018:

1.	The mean gender pay gap for ECCH	8.79%*
2.	The median gender pay gap for ECCH	8.14%*

\* A positive figure indicates a slight gender pay gap in favour of males.

## Pay Quartiles by Gender

Quartile	Female Headcount	Male Headcount	Female %	Male %	Description
1 (lowest paid)	159	28	85.03%	14.97%	Includes all employees whose standard hourly rate places them at or below the lower quartile
2	161	24	87.03%	12.97%	Includes all employees whose standard hourly rate places them above the lower quartile but at or below the median hourly pay
3	166	21	88.77%	11.23%	Includes all employees whose standard hourly rate places them above the median hourly pay but at or below the upper quartile
4 (highest paid)	152	35	81.28%	18.72%	Includes all employees whose standard hourly rate places them above the upper quartile

## What do we do to ensure equal pay?

As noted earlier in this report, gender pay is different to equal pay.

Legislation requires that men and women must receive equal pay for:

- the same or broadly similar work;
- work rated as equivalent under a job evaluation scheme; or
- work of equal value.

ECCH is committed to the principle of equal opportunities and equal treatment for all employees, regardless of sex, race, religion or belief, age, marriage or civil partnership, pregnancy/maternity, sexual orientation, gender reassignment and disability. It has a clear policy of paying employees equally for the same or equivalent work, regardless of their sex (or any other characteristic set out above).

We deliver equal pay through a number of means but primarily through adopting nationally agreed terms and conditions for our workforce:

#### National NHS Agenda for Change Terms and Conditions of Service (AfC).

AfC is negotiated nationally by the NHS Staff Council, led by NHS Employers. The national NHS Staff Council has overall responsibility for the AfC pay system and has representatives from both employers and trade unions. AfC provides the framework for pay arrangements which are in place at ECCH.

Typically, AfC terms and conditions apply to nursing, allied health professionals and administration and clerical staff, which are the majority of the workforce.

Where appropriate, locally agreed policies may supplement AfC arrangements, such as:

- Family friendly policies;
- Evaluating job roles and pay grades as necessary to ensure a fair structure;
- Starting salaries policy.

#### Very Senior Managers (VSMs) and Chairs and Non-Executive Directors (NEDs).

As a Social Enterprise, ECCH is free to determine its own rates of pay for its VSMs and Chairs and NEDs. VSMs include Chief Executives, Executive Directors and other senior managers with board level responsibility who report directly to the Chief Executive. Rates of pay for VSM's are determined via an Remuneration Committee. The Remuneration Committee currently use the national NHS VSM Pay Guidance to set the rates of pay. This system is based on the principles outlined under VSM which determines the rate of pay for the Chief Executive based on the size of the organisation, turnover and population. Once this rate is determined the executive directors remuneration is set based on a percentage of the Chief Executive.

### **The Gender Pay Gap at ECCH – further data**

ECCH is confident that its gender pay gap does not stem from paying men and women differently for the same or equivalent work. Rather its gender pay gap is the result of the roles in which men and women work within the Company and the salaries that these roles attract.

It is perhaps helpful to review the staffing profile within ECCH. Below is a table which reflects the pay bands in operation. The bands referred to in the table are the

AfC pay bands and range from band 1 (the lowest pay band) through to band 9 (the highest pay band). Personal pay includes the Directors and Non-Executive Directors.

Pay Band	Female Headcount	Female % of total staff	Male Headcount	Male % of total staff	Total Headcount	Gender Pay Gap by Pay Band (Hourly Rate) *
Apprentice	0	0.00%	0	0.00%	0	£0.00
Band 1	22	3.4%	5	4.6%	27	£0.19
Band 2	101	15.8%	20	18.5%	121	-£0.67
Band 3	59	9.2%	6	5.6%	65	£0.36
Band 4	96	15.0%	13	12.0%	109	-£0.12
Band 5	136	21.3%	14	13.0%	150	-£0.56
Band 6	129	20.2%	21	19.4%	150	£0.50
Band 7	57	8.9%	13	12.0%	70	-£0.08
Band 8a	23	3.6%	3	2.8%	26	£0.70
Band 8b	8	1.3%	3	2.8%	11	£0.57
Band 8c	1	0.2%	3	2.8%	4	-£0.74
Band 9	0	0.00%	0	0.00%	0	£0.00
Personal Pay	6	0.9%	7	6.5%	13	-£3.16
<b>Total</b>	<b>638</b>	<b>100.0%</b>	<b>108</b>	<b>100.0%</b>	<b>746</b>	<b>£1.35</b>

*\* Negative figures in the column 'Gender Pay Gap by Pay Band' indicate a gender pay gap in favour of females. Positive figures indicate a gender pay gap in favour of males.*

The information contained within the table above is sourced from the same data which provided the gender pay gap figures, i.e. the staffing position as at 31 March 2018.

The final column within the table reflects the gender pay gap position, based on the staff contained within the respective pay categories. Where there is a negative

figure, it suggests that the pay gap is in favour of females. Where it is a positive figure, it reflects a gender pay gap in favour of males.

### **What is the data telling us?**

On 31<sup>st</sup> March 2018, ECCH employed 746 staff of which 638 were females and 108 were males. The average hourly rate for females is £1.35 lower than males. When this is broken down into different pay bands, it is noted that for bands 2, 4, 5, 7, 8C and personal pay there is no gender pay gap. In other words, the pay gap is in favour of women.

In Bands 1, 3, 6, 8A and 8B there is a slight pay gap in favour of men. The biggest difference is in band 8A with a difference of 70p per hour and the lowest is band 1 with 19p per hour.

When looking deeper at the differences within each of these pay bands where it the difference is in favour of men, it is noted that this is due to length of service:

#### **Band 1**

Of the 5 males all are at the midpoint or higher, where as the females are spread throughout the band with 10 below the midpoint.

#### **Band 3**

4 males are above the midpoint or higher and 2 below. No males are on the lowest point. 32 females, which is 53% are above the midpoint. 7 females, 11.6% are on the lowest points; these would be new staff appointed who are appointed on the bottom of the pay band.

#### **Band 6**

12 males are above the midpoint or higher and 9 below. No males are on the lowest points. 68 females are below the mid point and 61 are above the mid point.

#### **Band 8A**

3 out of 3 males are above the midpoint or higher. 8 females are below the mid point and 15 are above the mid point.

#### **Band 8B**

3 males, 2 below and 1 above the mid point, plus 1 female above the mid point, 2 at the mid point and 5 females below the mid point.

There are a number of people employed with 2 posts or more at different pay bands, which does have an impact on their hourly rate.

Compared with last year, the gender pay gap mean has decreased from 10.28% to 8.79%, thus reducing the pay gap between male and female.

## **Conclusion**

Overall, there is very little pay gap in either direction. Throughout the pay bands, where pay gap is in favour of males the amount is very small, with the maximum being 3.5% in band 3.

Analysis suggests that where there is a gender pay gap this may be wholly attributed to the length of service of male staff within these roles as outlined above and therefore the gender pay gap is enhanced.

The AfC pay structure enables staff to receive incremental points within the pay band based on years service in the role until they reach the top of the pay band. This is not gender defined and both male and female staff have equal opportunity to reach the top of the pay band.

## **Future Action**

In 2018 the NHS agreed pay proposals with the NHS trade unions, which included the removal of Band 1. The deal was formally ratified at the NHS Staff Council on 27 June 2018, meaning there will now be a three-year pay deal, as well as reform of the pay structure and changes to terms and conditions. The new pay structure will:

- increase starting salaries;
- reduce the number of pay points;
- shorten the amount of time it takes to reach the top of the pay band for most staff.

This new pay deal will help ensure that there is no gender pay gap between males and females.