

**Public Health Wales** 

Gender Pay Gap Report 2022

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### Introduction

Public Health Wales is an NHS Trust responsible for protecting and improving health and wellbeing in Wales. The organisation has been monitoring its gender pay gap internally and annually publishing statistics under the UK's reporting regulations since 2017. The organisation's gender pay gap has been narrowing, significantly so in recent years, and this year the organisation commissioned Incomes Data Research (IDR) to undertake an equal pay audit to examine and investigate the causes of continued differences in pay between men and women.

The gender pay gap is a calculation of the difference between men's and women's pay, usually based on average hourly pay, although metrics can vary. The resulting percentage variation is the gap between average pay for men and that for women. However, this statistical calculation tells us nothing about discrimination or gender inequality *per se* and the figure can be affected by a range of issues that have very little to do with direct employer discrimination, which is where female employees are found to have been discriminated against because they were women.

Occupational segregation – where women are concentrated in jobs that are less well-paid than those dominated by men – is one of the major contributors to the gap in earnings between men and women. Organisations that have more jobs that are dominated by women (referred to as horizontal segregation) are likely to have higher pay gaps even if they have equal employment (and equal pay) practices, and this is a factor which affects pay gaps in the public sector where many workforces are dominated by women.<sup>1</sup>

In addition, having more men in higher-paid positions (and conversely, more women in lowerpaid roles) is also a significant factor in earnings gaps (referred to as vertical segregation). Both of these factors affect the gender pay gap to a certain extent at Public Health Wales.

This report examines pay gaps at Public Health Wales using explanatory factors such as area of work, age, length of service, and other characteristics as appropriate, and we follow accepted

<sup>&</sup>lt;sup>1</sup>Women account for 64% of the public sector workforce, compared to 44% of the private sector workforce. Source: Labour Force Survey, Office for National Statistics.

statistical standards in our various calculations. Comparisons have been conducted on the assumption that work undertaken by men and women on the same grades at the organisation is rated as equivalent, since all jobs have been evaluated using the NHS points-based analytical job evaluation scheme.

#### Definitions

Equal work is work rated as equivalent under the NHS job evaluation scheme.

Effective date for the information on pay on which we conducted analysis is 31 March 2022.

Pay data refers to the anonymised dataset Public Health Wales provided to IDR for analysis.

**Hourly pay** equals all gross cash payments before deductions but after salary sacrifice divided by the number of hours worked.

Ordinary pay includes basic pay, allowances, holiday pay and shift premium pay.

Spinal point salary is the value of the basic annual NHS salary.

Length of service is defined as continuous length of service.

Mean is the total sum of all salaries divided by the number of salaries.

Median is the middle value when all values are ordered in numerical order from smallest to largest. Gender pay gap figures show the difference between the average earnings of men and women, expressed as a percentage of men's earnings. Where men's pay is higher on average than women's the result is a positive percentage, while where women's pay is higher the result is a negative percentage.

Pay quarter refers to a quarter of the workforce, ranked by their hourly pay.

### Key findings

- On 31 March 2022 Public Health Wales employed 2,281 staff in total.
- The median gender pay gap is 5.5% and the mean gender pay gap is 11.8%.
- Both the median and mean gender pay gap have narrowed in 2022.



Median pay gap 5.5% (down from 8.8% in 2021) Mean pay gap 11.8% (down from 16.5% in 2021)

• Overall women account for 74% of the workforce and they outnumber men at all levels of the organisation. However, a pay gap exists, in part due to the allocation of men and women across the earnings distribution with the greatest proportion of men in the highest-paying quarter. Conversely, the greatest proportion of women are found in the lowest-paying quarter.

Lower quarter	20.5%		79.5%	)						
Lower-middle quarter	27.2%		73	2.8%						
Middle-upper quarter	22.8%		77.2	%						
Upper quarter	32.6%			67.4	%					
0%	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%

- Men 🔵 Women
- 45% of the Board are women and a woman holds the highest-paid position.
- Analysis of gender pay gaps by pay band shows that these are either in favour of women or are relatively small for staff below the leadership team.
- The indicative<sup>2</sup> mean ethnicity pay gap between white and BME staff is -4.5% in favour of BME staff, and the median pay gap is 0.0%.
- The indicative mean disability pay gap is 11.5% and the median is 15.6%.

<sup>&</sup>lt;sup>2</sup>The ethnicity and disability pay gaps analysis are based on small samples of pay data for staff that identify as black or from an ethnic minority community or reporting to have a disability or long-term condition so figures should be considered with caution and treated as indicative.

### Recommendations

- Actions the organisation has been taking to narrow the gender pay gap, including advertising all job vacancies as being open to job sharers and part-time workers as standard, providing flexible working arrangements, monitoring recruitment and selection processes, and other initiatives, appear to be having a positive impact on the gender pay gap. The mean gender pay gap at Public Health Wales has narrowed from 22.6% in 2017 to 11.8% in 2022, with a notable reduction of five percentage points over the last year. However, at 11.8% the gap between men and women's pay remains notable, particularly in an organisation where women are employed in significantly greater proportions than men at almost all levels.
- Although currently women make up the majority in each quarter and a woman holds the highest-paying job, the representation of women declines as we move up the pay quarters.
  Women are also a minority on the Board and together these factors contribute to the overall gender gap in favour of men.
- Analysis by Directorate also shows where the gender balance is contributing to the gender pay gap with men concentrated in higher-paying roles, while women undertake a broader mix of roles. The organisation should therefore take steps to actively attract women to senior and managerial positions, if it is not doing so already. This could be aided by a review of job advertisement descriptions, ensuring gender-neutral language is used, as well as being certain that adverts are reaching all demographics.
- Additional monetary payments, such as allowances for additional responsibilities, have an impact on the pay gap between men and women in senior roles. While not significant, the impact is evident since pay gaps are wider when based on 'ordinary pay' (which includes these extra payments) than when they are calculated using spinal point salaries only, and we recommend that Public Health Wales undertakes analysis examining the allocation of allowances by gender.
- Analysis by age shows that the gender pay gap is in favour of women in the younger age brackets but begins to widen (and in favour of men) as women in the organisation get older. This widening of the gender pay gap with age is typically attributed to women taking time out of the labour market to have children. Vertical segregation, whereby older men tend to be in

more senior, better-paid positions, also plays a role. In order to try and address this, Public Health Wales could improve maternity and care leave arrangements, as well as promote shared parental leave and flexible working arrangements.

- The organisation needs to ensure that it is supporting women's career and progression development, particularly after age 30. Initiatives are under way in this area and Public Health Wales will need to monitor the impact these have on progression and promotions.
- The organisation may also wish to undertake analysis of trends in maternity leave, including examining rates of return and working patterns upon return in order to better understand how having children affects women's careers.
- The organisation should investigate salary and promotion data to identify causes of gender pay gaps. Women should be encouraged to apply for promotion and be considered on an equal basis to men. Line managers can also play a key role by discussing the skills needed to apply for promotion and the factors that may prevent staff from doing so as part of capacity-building. This also includes giving staff the resources needed for success in their careers, including mentors/sponsors and networking groups, and helping staff to follow through by planning, setting goals and providing feedback. Some of this work is already underway and it is important that these tasks stay in focus.
- When it comes to interviews, evaluating candidates comparatively (i.e., not just individually) and hiring/promoting in batches, if at all possible, is helpful. Structured interviews with balanced recruitment panels who have received unconscious-bias training is a key process change that can improve access to external and internal roles for women.
- Although based on a small sample of pay data for disabled staff, the gap between pay for disabled and non-disabled staff at Public Health Wales is larger than that between men and women and requires further attention. Monitoring efforts in respect of recruitment, selection and promotion should involve a particular spotlight on disabled people. Furthermore, our analysis shows that gender plays a significant role in the disability gap, and therefore the previous suggestions regarding promotion and career development for women also apply to disabled staff, particularly disabled women.
- The organisation should also try to improve declaration rates, particularly around disability.

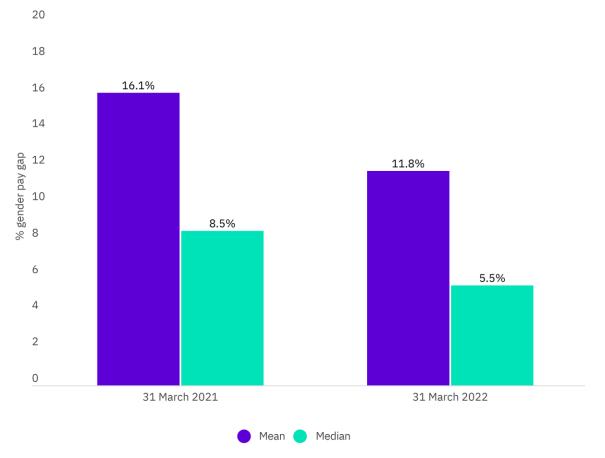
## Gender Pay Gap

The headline analysis shows that the overall mean (average) gender pay gap at Public Health Wales is 11.8% and the overall median pay gap is 5.5%. The latest headline figures indicate that the gender pay gap within Public Health Wales has narrowed. The difference between mean hourly pay for men and women has narrowed from 16.1% in 2021 to 11.8% in 2022. The median gender pay gap has narrowed from 8.5% to 5.5%.

#### Table 1 Gender pay gap

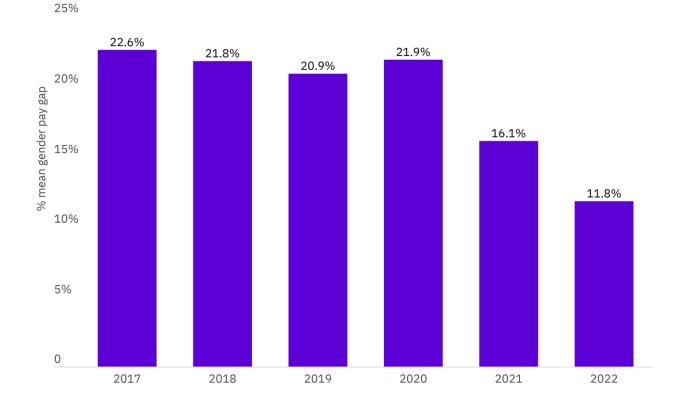
	Average hourly rate	Median hourly rate
Men	£22.29	£17.48
Women	£19.66	£16.52
£ difference	£2.64	£0.95
Gender Pay Gap	11.8%	5.5%

#### Figure 1 Gender pay gap March 2021 versus March 2022



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Narrowing of the gender pay gap represents a continuation of the previous trend, which indicates actions the organisation has been taking to narrow the gender pay gap, including advertising all job vacancies as being open to job sharers and part time workers as standard, providing flexible working arrangements, monitoring recruitment and selection processes, and other initiatives, are having a positive impact. However, at 11.8% the average gap between men and women's pay remains notable, particularly in an organisation where women are overrepresented at almost all levels.



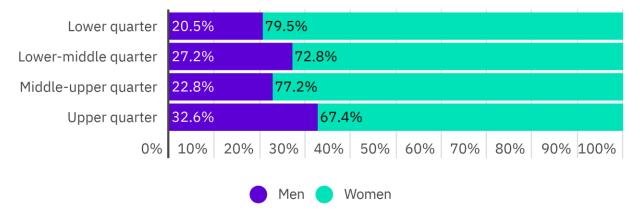
#### Figure 2 Mean gender March 2017 to March 2022

30%

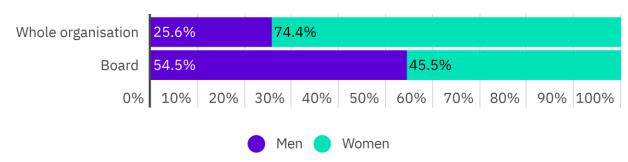
### Gender composition

In March 2022 Public Health Wales employed 2,218 staff, of which 74.4% are women. Analysis of the distribution of men and women in each of the organisation's pay quarters shows that there is a much higher representation of women across all pay quarters: women occupy 67.4% of highest-paid jobs (and a woman currently holds the highest-paying position) and 79.5% of the lowest paid jobs. The highest representation of men is in the upper quarter. This affects pay averages by lowering hourly pay for women, while boosting hourly pay for men.

#### Figure 3 Proportion of men and women in each pay quarter



The gender make-up of the Board sits in contrast, with female representation falling from an average of 70%-plus below board level to just 45.5% at the top, i.e., women are a minority even though they are the majority in each quarter.



### Figure 4 Proportion of men and women

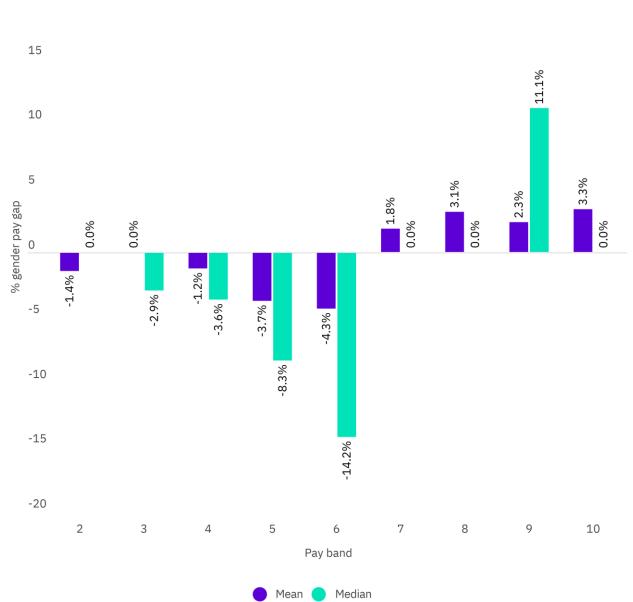
### Pay band

A useful way of analysing gender pay gaps is by pay band however staff at Public Health Wales are on more than one grading system, with some on the NHS Agenda for Change pay system and others covered by the Doctors' and Dentist' Review Body pay scales. In order to examine pay gaps between all staff we have grouped bands and roles from the separate pay scales into combined pay bands. The allocation of these is based on previous work IDR has undertaken assessing the relative size of jobs found across the NHS, covering both medical and non-medical roles.<sup>3</sup>

Analysis of gender pay gaps by pay band shows that pay gaps are in favour of women until we reach band 7. This represents the lower of two professional and managerial levels and covers professionals and middle managers. From level 7 onwards a gender pay gap emerges and widens with seniority, albeit only marginally. The mean pay gap for staff on pay band 6 is -4.3% in favour of women, which widens to between 2% and 3% for staff above this level.

The gap between men and women's pay is widest at pay band 10 when comparing mean hourly pay and pay band 9 when comparing median hourly pay. These pay bands cover executives (pay band 10) and non-medical senior managerial positions and consultants (band 9).

<sup>&</sup>lt;sup>3</sup>Salary scales are grouped as follows: Pay band 2, Review Body (RB) Band 2, Non Review Body (NRB) Band 2; Pay band 3, RB/NRB Band 3; Pay band 4, RB/NRB Band 4; Pay band 5, RB/NRB Band 5; Pay band 6, RB/NRB Band 6; Pay band 7, RB/NRB Band 7, Specialist Registrar; Pay band 8, RB/NRB Band 8A/B, GPs; Pay band 9, RB/NRB Band 8C/D, Consultant, Associate Specialist (new contract); Pay band 10, RB/NRB Band 9, Executives; Pay band 11, Senior Executives.



### Figure 5 Gender pay gaps by pay band<sup>1</sup>

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<sup>1</sup>The sample of staff in pay band 11 (4) is too small to produce reliable figures.

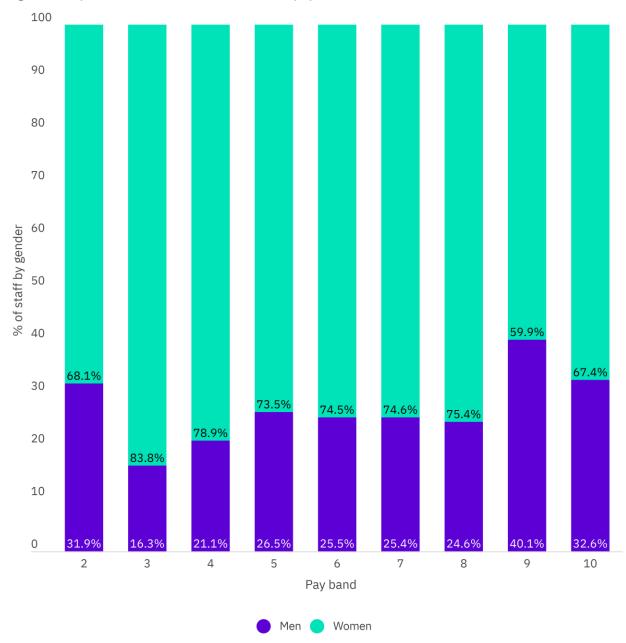


Figure 6 Proportion of men and women in each pay band<sup>1</sup>

<sup>1</sup>The sample of staff in pay band 11 (4) is too small to produce reliable figures.

In order to explore the impact of additional earnings on the gender pay gap, we examined gender pay gaps based on spinal point salaries i.e., basic pay only. Table 2 provides gender pay gap figures calculated on both on 'ordinary pay' (which includes extra payments) and spinal point salaries and shows that pay gaps are wider for staff in pay bands 7 to 10 when we compare the difference between men and women's ordinary pay.

The pay gap is most significant at the senior level (pay band 10) where the mean pay gap widens from -22.4% in favour of women to 3.3% in favour of men. A similar pattern is evident for bands 7, 8 and 9, albeit less stark, and the pay gap widens once additional monetary amounts, such as allowances for additional responsibilities, are included in the calculations.

Ordinary pay			Spinal point salary			
Pay band	Mean pay gap	Median pay gap	Mean pay gap	Median pay gap		
2	-1.4%	0.0%	-0.8%	0.0%		
3	0.0%	-2.9%	-2.2%	-7.1%		
4	-1.2%	-3.6%	-1.0%	-10.3%		
5	-3.7%	-8.3%	-2.3%	0.0%		
6	-4.3%	-14.2%	-3.0%	-14.2%		
7	1.8%	0.0%	0.4%	0.0%		
8	3.1%	0.0%	2.3%	0.0%		
9	2.3%	11.1%	3.3%	11.2%		
10	3.3%	0.0%	-22.4%	-15.3%		
Pay Gap	11.8%	5.5%	9.2%	5.5%		

#### Table 2 Gender pay gaps by pay band

### Directorate

The gender pay gap is a calculation of the difference in men and women's average earnings, expressed as a percentage of men's earnings. The measure is usually based on average hourly pay but metrics can vary. The gender pay gap, however, does not tell us whether an employer is providing equal pay for work of equal value, nor does it provide any insight, on its own, into the cause of any gaps. Occupational segregation – the tendency for men and women to work in different occupations – is one of the major contributors to the gap in earnings between men and

women across the economy. Interrogation of the Public Health Wales gender pay gaps by directorate reveals more detail behind the headline figures.

A significant finding is that pay gaps by directorate are almost all in favour of men, except in the Operations and Finance, HR and Organisational Development and WHO Collaboration Centre Directorates. The largest pay gaps in favour of men occur in the smallest departments and the gender pay gap is most significant in the Corporate Directorate, where the mean pay gap is 39.4% and the median pay gap is 68.4%. This directorate has just 19 staff in total, of which 8 are men and 11 are women.

The next largest pay gap is found in the Quality Nursing and Allied Professionals Directorate, where the mean gender pay gap is 31.2% and the median pay gap is 37.6%. Again, this is a small directorate with just 36 staff (30 of whom are women and six of whom are men). In both directorates men are mainly in higher-paid roles compared to a broad mix of roles undertaken by the women in each directorate.

The largest positive pay gap in favour of women is in the People and Organisational Development directorate where the mean pay gap is -23.0% and the median pay gap is -21.0%. This directorate has 34 staff, 28 of women are women.

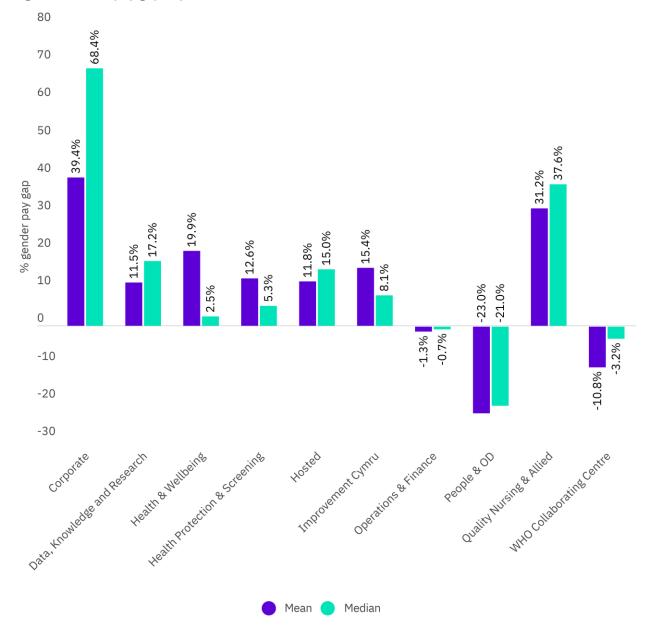
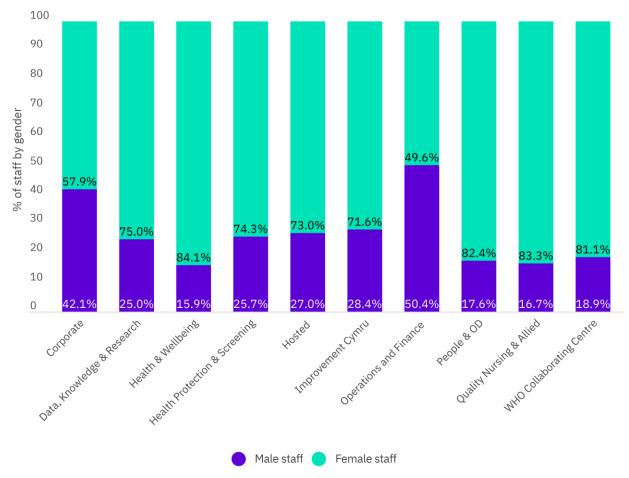
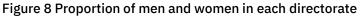


Figure 7 Gender pay gaps by directorate

Where there is little difference between the overall mean and median pay gaps this demonstrates that men are consistently found in the higher pay grades, raising both mean and median pay for men.

The proportion of men and women in each directorate has an impact on the figures and we can see that the one directorate that has an almost equal balance of men and women (Operations and Finance) has very little pay gap and is in favour of women.

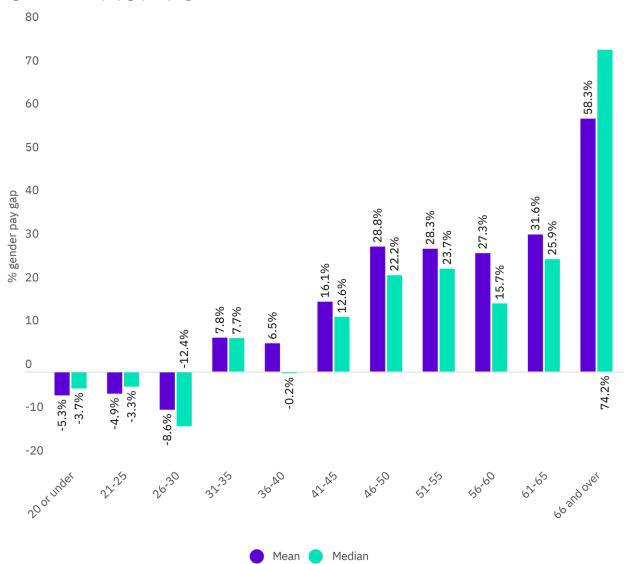




We also conducted analysis by division, however, results are less robust because some groups contain too few cases for the analysis to produce what we considered to be a meaningful result. However, we see that occupational segregation plays a role in many of the pay gaps observed, with higher gaps in those divisions employing roles traditionally dominated by men, such as in Estates, Safety and Facilities.

### Age and length of service

Analysis of gender pay gaps by age and length of service indicate gaps are not due to men having longer service, but due to women progressing in their careers at a slower rate than men. The gender pay gap for younger staff aged 30 and under is positive in favour of women and begins to widen for staff aged 31 and over, shifting in favour of men, significantly so for older staff. The widest pay gap is between men and women aged 66 and over. This age bracket is dominated by women with 16 women compared to just four men, three of whom are in senior roles.



#### Figure 9 Gender pay gaps by age

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Analysis of gender pay gaps by length of service shows that gaps are wider between men and women with longer continuous service, indicating that the difference in pay between genders is not due to men having longer average service than women. Gaps are most significant for those with 20 years' or more service due to the concentration of men in professional and managerial roles, while women with this long service are in roles across all levels of the organisation.

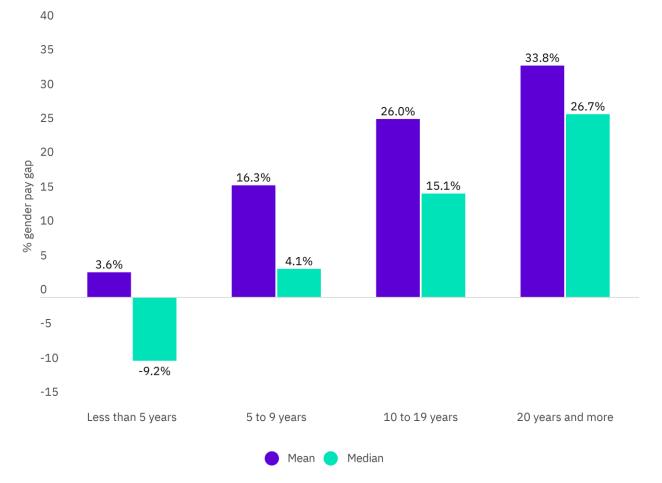
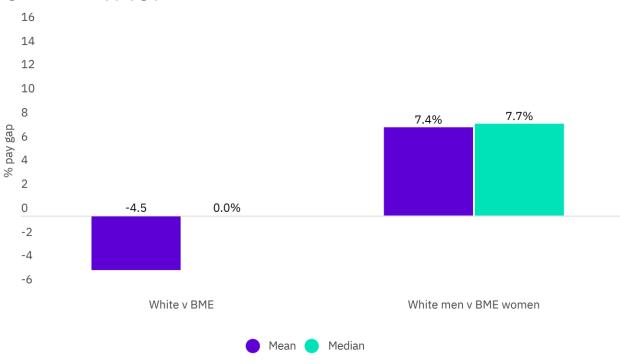


Figure 10 Gender pay gaps by length of service

## Ethnicity Pay Gap

The number of Public Health Wales staff from minority groups is small, and low diversity figures in the workplace is a complex issue that impacts the whole of the public sector. A total of 150 staff (102 women and 48 men) identify as black or from an ethnic minority community (BME)<sup>4</sup> and a further 311 staff (13.6%) have not declared their ethnicity. The remaining staff identify as white. The indicative mean pay gap between white and BME staff is -4.5% in favour of BME staff, and the median pay gap is 0.0%. Further analysis comparing pay for white men against that for BME women shows a mean pay gap of 7.4% and median pay gap of 7.7%, indicating that gender rather than ethnicity is the main factor driving the difference.



### Figure 11 Ethnicity pay gap<sup>1</sup>

<sup>1</sup>Of those that have declared their ethnicity.

<sup>&</sup>lt;sup>4</sup>The CIPD follows the Race Disparity Audit's recommendations and refers to 'ethnic minorities' rather than using BME/BAME (black and minority ethnic/black, Asian and minority ethnic), which highlights some groups and omits others. Race Disparity Audit research suggests that very few people recognise these acronyms, while few people from ethnic minorities identify with them and many dislike them. Broad terms like BME and BAME encompass people from a diverse range of backgrounds, cultures and traditions. However, government departments, public bodies, the media and other groups use these terms.

### **Disability Pay Gap**

In total 110 staff (73 women and 37 men) report to have a disability or long-term condition, a further 478 have not declared their disability status. Analysis of the difference between those that have declared their disability status shows that the mean disability pay gap is 11.5% and the median is 15.6%. Gender has an impact on the disability pay gap at Public Health Wales and the gap widens when we compare pay for non-disabled men with that for disabled women.

This analysis is based on a small sample of pay data for disabled staff and the figures should therefore be treated with caution, however the indicative figures suggest that the disability pay gap is larger than that for men and women and requires further attention. Declaration rates are also a concern, with 478 representing around a fifth (21.0%) of Public Health Wales staff.

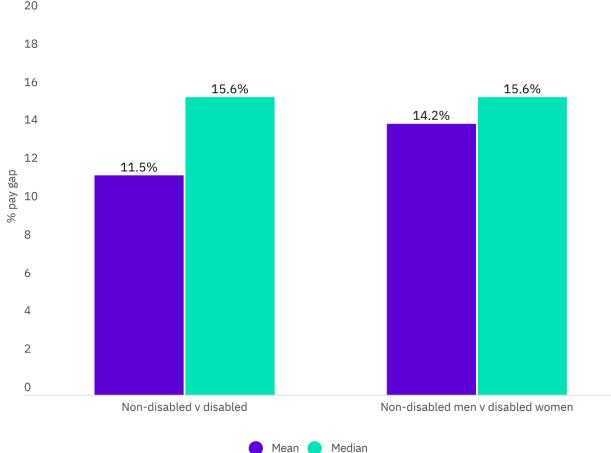


Figure 12 Disability pay gap<sup>1</sup>

<sup>1</sup>Of those that have declared their disability status.