

NHS National Services Scotland

Pay Gap Report

April 2023



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Section 1 – Introduction

NHS National Services Scotland (NSS) is committed to the principles of equality, diversity and human rights in employment. It believes that staff should receive equal pay for the same or broadly similar work, for work rated as equivalent and for work of equal value (regardless of age, disability, ethnicity or race, gender reassignment, marital or civil partnership status, pregnancy, political beliefs, religion or belief, sex or sexual orientation). This is reflected in the NSS Equal Pay statement which is contained in **Appendix 1**.

NSS is committed to mainstreaming equality in the workplace and one way of ensuring this is to carry out a pay gap audit. In compliance with the Public Sector Equality Duty (under the Equality Act 2010), NSS has published a bi-annual Gender Pay Gap report since 2013. Additionally, since 2017 the report has also included ethnicity and disability pay gap information.

NHS National Services Scotland (NSS) is committed to the principles of equality, diversity and human rights in employment.





Section 2 – What does the NSS Pay Gap report cover?

This report provides **gender, ethnicity and disability pay gap information** for NSS, based on workforce and payroll data, as at 31 December 2022.

The report provides both the mean and median pay gap data calculated as follows:



Mean pay gap data is calculated by adding together all employee hourly rates of pay, for a particular cohort, and dividing this amount by the total number of employees within the same grouping.

Median pay gap data is calculated by listing all employee hourly rates of pay, for a particular cohort, and finding the midpoint in the range.

Given that the mean pay gap is calculated from the hourly rates of all individual employees, it therefore includes the highest and lowest rates across the organisation and provides an overall indication of the size of the pay gap. The median hourly rate, on the other hand, is calculated by taking the mid-point from a list of all employees' hourly rates of pay and provides a more accurate representation of the 'typical' difference in pay that is not skewed by the highest or lowest rates across the organisation. It is possible however that the median pay gap can obscure pay differences that may be associated with gender, ethnicity or disability. Therefore, whilst this report provides both mean and median pay gap information, the focus of the report is on the mean pay gap outcomes.

Section 3 – Mean and median pay gap data by gender

As at 31 December 2022, NSS employed 3,483 employees.



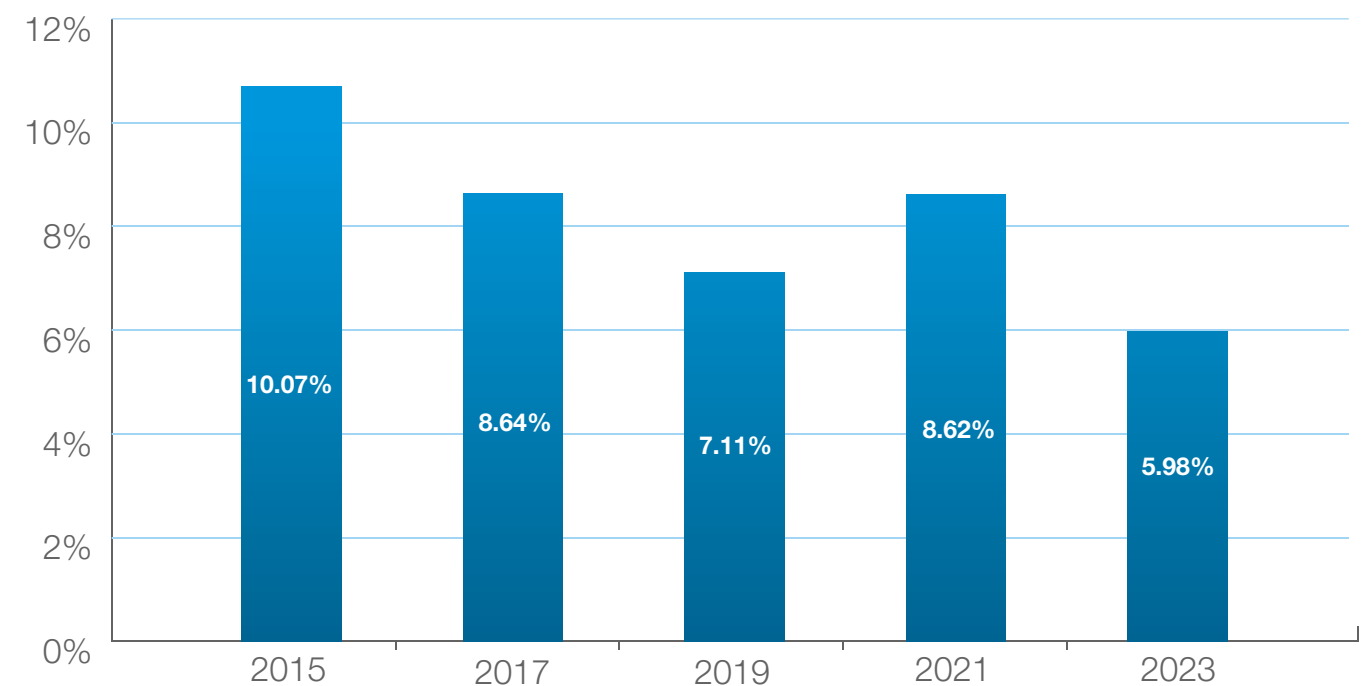
The table below provides mean and median gender pay gap data for the organisation as a whole.

Overall NSS Pay Gap		
	2023 Mean Hourly Rate	2023 Median Hourly rate
Male (1,318 employees)	£20.23	£16.91
Female (2,165 employees)	£19.02	£16.83
Difference	£1.21	£0.08
% Pay Gap*	5.98%	0.47%

***Please Note** - The pay gap is the monetary difference in the mean or median hourly rate of pay, expressed as a percentage of the male hourly rate.

Whilst approximately two thirds of the overall NSS headcount is female, the mean gender pay gap continues to be in favour of male employees by 5.98%. This does however demonstrate a reduction in the gender pay gap, falling by 2.64% over the last 2 years and, at 5.98%, is the lowest gender pay gap percentage achieved by NSS over the past 8 years.

The graph below highlights the movement in the NSS mean gender pay gap, since 2015.



Section 4 – Mean and median pay gap data by staff grouping

NSS staff are employed under three distinct contract groupings - Agenda for Change (AFC), Executive Level and Senior Managers (EL/SM) and Medical and Dental (M&D) - each with a separate set of pay, terms and conditions of employment.

The following tables provide the mean and median gender pay gap data for each of the three contract groupings.

Agenda for Change Pay Gap		
	2023 Mean Hourly Rate	2023 Median Hourly rate
Male (1,293 Employees)	£19.67	£16.91
Female (2,121 Employees)	£18.43	£16.83
Difference	£1.24	£0.08
% Pay Gap	6.31%	0.47%

Executive Level and Senior Manager Pay Gap		
	2023 Mean Hourly Rate	2023 Median Hourly rate
Male (9 employees)	£51.19	£48.17
Female (7 employees)	£52.81	£52.00
Difference	- £1.62	- £3.83
% Pay Gap	- 3.16%	- %7.95

Medical and Dental Pay Gap		
	2023 Mean Hourly Rate	2023 Median Hourly rate
Male (16 employees)	£48.19	£48.78
Female (37 employees)	£46.55	£40.40
Difference	£1.64	£8.38
% Pay Gap	3.41%	17.17%

The above figures show a reduction in the gender pay gap in all 3 contract groups, since 2021.

1.

The largest contract group within NSS comprises of staff who are employed on Agenda for Change (AFC) terms and conditions. This cohort shows a mean gender pay gap of 6.31% in favour of males; a reduction on the figure previously reported in 2021, that of 7.90%.

Staff employed under AFC terms and conditions are recruited into a post with a confirmed AFC pay band, assigned through the application of the NHS Job Evaluation Scheme. The evaluation is undertaken by a trained panel of evaluators and is based on the skills and responsibility demands of the job. As such, all employees aligned to the same post/job description will be paid, regardless of gender, according to the evaluated band outcome for the post.

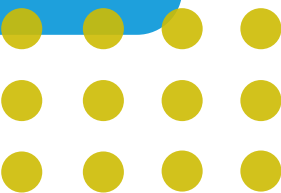
It is also important to note that each AFC pay band consists of a number of incremental points. In line with AFC terms and conditions, each employee will generally either:

- **Commence in post at the minimum of the pay scale, or**
- **In the case of promotion, commence on the first available point on the scale that will afford the employee a salary increase.**

Thereafter, incremental progression applies on an annual basis.

This means that commencing salary, length of service in grade and timing of each employee's yearly incremental date will have a direct influence on the pay gap within this contract group.

The specific data for this cohort confirms that females are the dominant gender in the majority of the AFC pay bands, most noticeably at bands 2, 4, 5 and 6. One reason for this is that administrative and nursing/caring roles traditionally comprise of female employees. A greater number of males than females hold posts at higher AFC bands including bands 8B, 8D and 9. Further analysis of this data confirms that length of service currently places the male postholders incrementally higher on the pay scale in these specific bands which has influenced the pay gap result in the AFC cohort. However, whilst at present there are more long-serving male employees in the senior grades, this means that female employees who are more recently employed in these grades will catch up in the future through annual incremental progression.



2.

The smallest contract grouping within NSS comprises of staff employed on Executive Level and Senior Management (EL/SM) terms and conditions. This cohort shows a mean gender pay gap of 3.16% in favour of females. This is a noticeable change to the figure reported in 2021, that of 1.13% in favour of males.

Over the last 2 years, headcount within this contracting group has reduced. More specifically there has been a reduction of approximately 30% of the male headcount. A higher proportion of females now occupy posts on EL/SM grades, more specifically in EL grades E and above, than had been the case in 2021.

It is of note that in contrast to the AFC contract group, salary progression within the minima and maxima salary range of each EL/SM grade is based on the employee's annual performance rating which is determined through the Appraisal process. Dependent on the performance rating, a percentage salary uplift is applied within the salary range for the grade.

Overall, the analysis of the EL/SM workforce would suggest that pay gap differences are closely associated with length of service in grade and position in the grade salary range.

3.

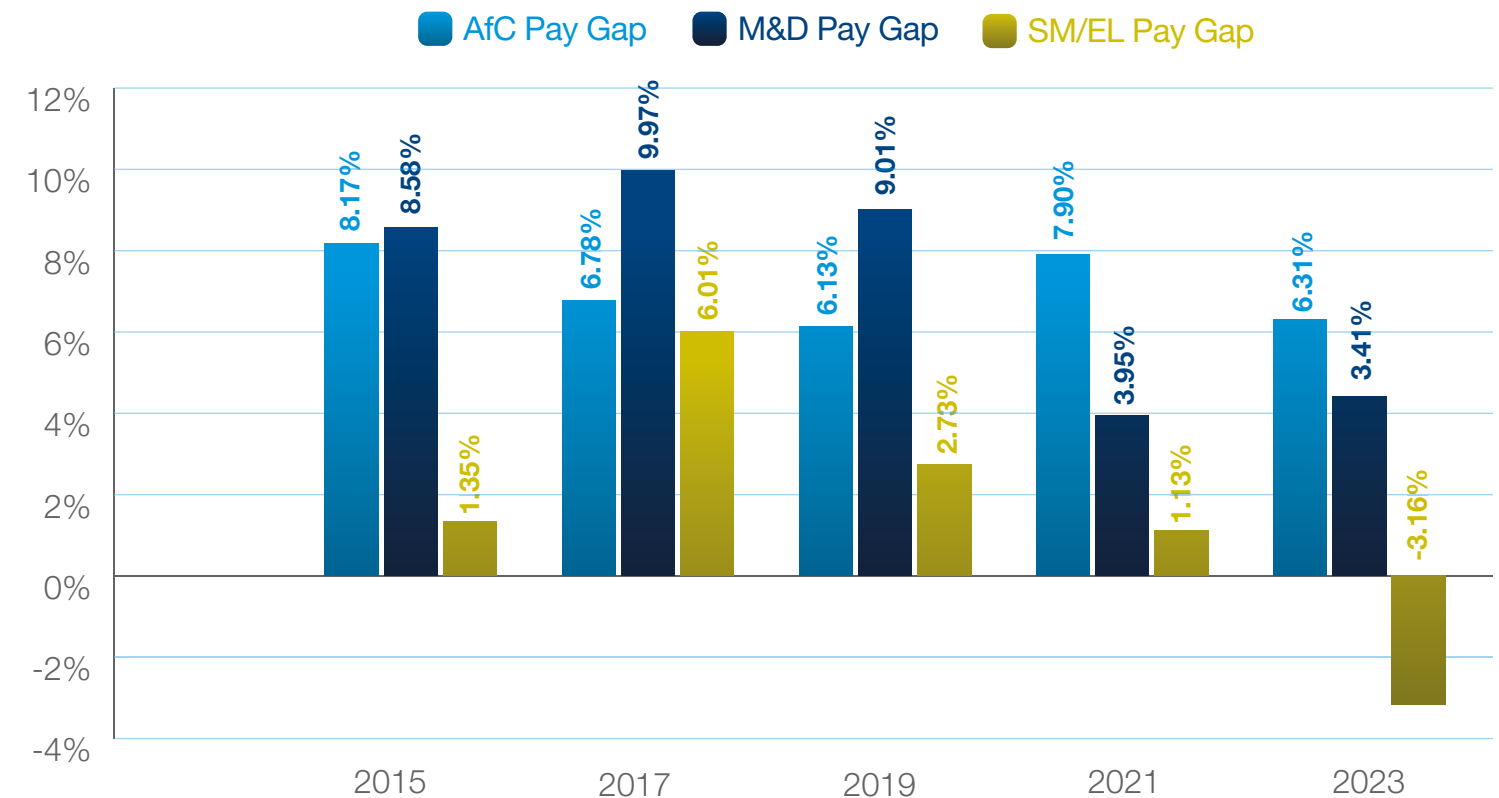
The Medical and Dental (M&D) cohort, consisting of such posts as Consultants, Specialty Doctors and Associate Specialists, shows a mean gender pay gap of 3.41% in favour of males. This is a reduction to the figure reported in 2021, that of 3.95%, and shows a continued downward trend, falling by 6.56% since 2017.

It should be noted that M&D staff progress incrementally on their pay scales, in a similar way to AFC staff. As such, commencing salary placement, length of service in grade and timing of each employee's annual incremental date are strong contributory factors on this pay gap result.

Further analysis of the pay data for this cohort confirms that females continue to be the more dominant gender within this contracting group, with headcount increasing by 10 since 2021 and most noticeably within the role of Specialty Doctor.

Although there are fewer males within this cohort, having only increased by 1 over the same reporting period, the percentage of males in the role of Consultant (which attracts a higher salary scale to that of Specialty Doctors) and their length of service in the Consultant role has resulted in them being placed on higher salaries than that of their female comparators.

The graph below provides a visual comparison of the mean pay gap for each contractual grouping, since 2015.



***Please Note** -The pay gap is the monetary difference in the mean or median hourly rate of pay, expressed as a percentage of the male hourly rate.



Section 5 – Mean and median pay gap data by pay quartile

This section of the report provides data on the proportion of males and females within each pay quartile.

By ranking all employees from lowest to highest paid then dividing this list into four equal groups it is possible to identify four pay quartiles. In doing so, this provides information on how male and female employees are distributed across the organisation in terms of pay.

Against each pay quartile the proportion of males and females is listed along with the mean and median hourly rates of pay.

Lower Pay Quartile (AFC Bands 2 - 4)		
	Female	Male
Number of Employees	492 employees	378 employees
% of headcount in quartile	56.55%	43.45%
Mean hourly rate	£11.71	£11.83
Median hourly rate	£12.07	£12.07

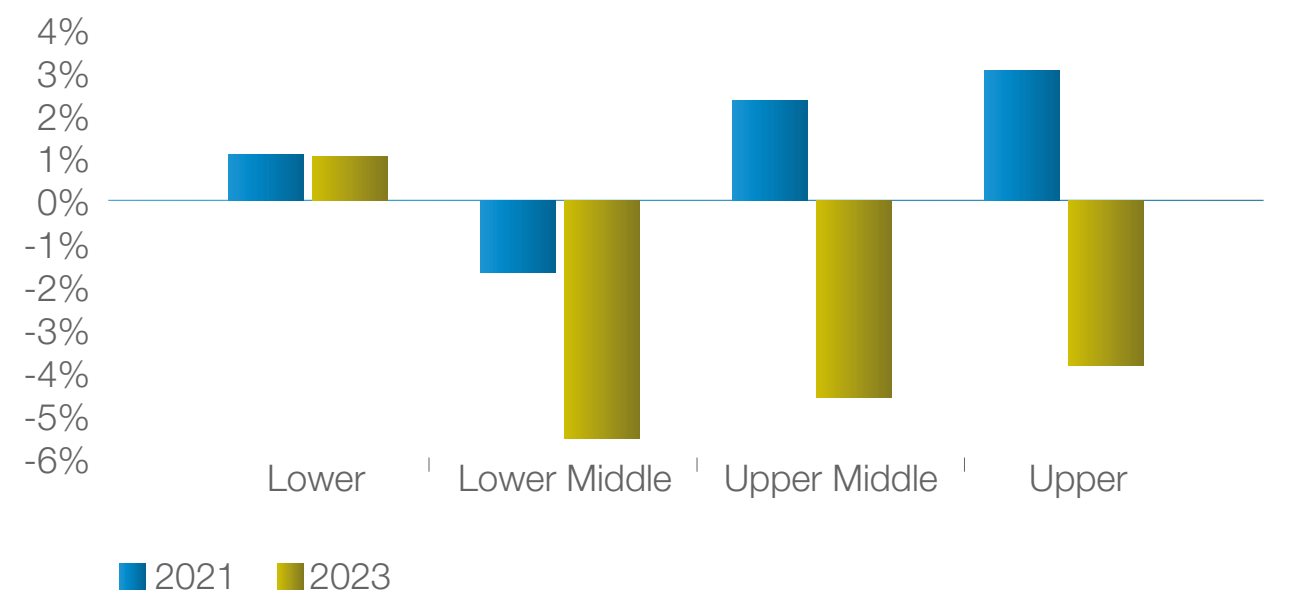
Lower Middle Pay Quartile (AFC Bands 4 – 5)		
	Female	Male
Number of Employees	658 employees	213 employees
% of headcount in quartile	75.55%	24.45%
Mean hourly rate	£14.30	£13.55
Median hourly rate	£13.35	£13.35

Upper Middle Pay Quartile (AFC Band 5 – 7)		
	Female	Male
Number of Employees	579 employees	292 employees
% of headcount in quartile	66.48%	33.52%
Mean hourly rate	£20.51	£19.61
Median hourly rate	£20.83	£20.83

Upper Pay Quartile (AFC Bands 7 - 9, EL/SM grades and M&D grades)		
	Female	Male
Number of Employees	436 employees	435 employees
% of headcount in quartile	50.06%	49.94%
Mean hourly rate	£32.42	£31.22
Median hourly rate	£28.14	£28.14

***Please Note** - Due to the numbers of staff on each pay point within each AFC pay band, there will be some overlapping of salaries and pay bands in each quartile.

Mean pay gaps have been calculated within each of the four quartiles, with the following graph further illustrates the change in mean pay gap, per quartile, since 2021.

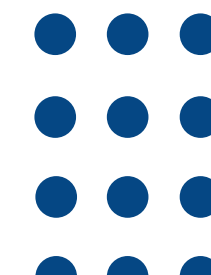


***Please Note** - The pay gap is the monetary difference in the mean or median hourly rate of pay, expressed as a percentage of the male hourly rate.

The lower pay quartile, consisting of 492 females and 378 males, presents a mean gender pay gap of 1.01% in favour of males.

Analysis of the data for this cohort confirms that, although there are a higher number of females within this grouping, 36% of the female headcount (in contrast to 23% of males) are in posts at the lower end of the pay range for this quartile (ie in salaries spanning AFC Bands 2 to 4). Additionally, there are a higher proportion of males (77% in contrast to 64% of females) in posts at the top of the salary range, which directly influences the mean gender pay gap for this quartile.

The lower middle quartile consists of 658 females and 213 males. This cohort presents a mean gender pay gap of 5.54% in favour of females. This is a noticeable increase since 2021, rising by 3.87% over the last 2 years and is the largest pay gap noted across all 4 quartiles.



Further analysis of the data confirms that, over the last 2 years female headcount in this cohort has increased by 77 employees. This is in contrast to the male headcount which has reduced, falling by 11 employees over the same reporting period. It can also be noted that 29% of the female headcount, in contrast to 9% of males, are in posts at the top of the salary range for this quartile (ie salaries spanning AFC Bands 4 to 5).

The upper middle quartile consists of 579 females and 292 males in salaries spanning AFC Bands 5 to 7. This quartile presents a mean gender pay gap of 4.59% in favour of females. This is a noticeable change from the gender pay gap result in 2021, swinging from 2.33% in favour of males since the last reporting period.

Further analysis of the data for this cohort confirms that both male and female headcount have increased over the last 2 years – rising by 46 and 146 respectively. 13% of the male headcount can be found at the bottom of the salary range for this quartile which is not currently occupied by any female comparator. In addition, 25% of the female headcount, in contrast to 15% of males, can also be found in posts at the top of the salary range for this quartile.

The final upper quartile consists of 436 females and 435 males and can be found in AFC Bands 7 – 9 as well as EL/SM and M&D grades.

This quartile, covering 3 different contract groups, presents a mean gender pay gap of 3.84% in favour of females. Similar to the upper middle quartile, this presents a noticeable change in the gender pay gap result, swinging from 3.02% in favour of males in 2021

Further analysis of the data for this cohort confirms that both male and female headcount have increased over the last 2 years – rising by 49 and 16 respectively. 58% of male headcount, in contrast to 52% of females, are in posts at the lower end of the pay range for this quartile. Additionally, 5% of the female headcount (in contrast to 3% of males) are in posts at the top of the pay range for this quartile. It is also worth noting that the pay range for the female cohort is greater than that of their male comparators.



Section 6 – Mean and median pay gap data by ethnic group

In response to feedback received on our 2021 report, NSS has (this year) updated its method of ethnicity reporting and now provides pay gap data across all ethnic groups within NSS. This information is presented in order of the mean hourly rates of pay (from lowest to highest). This enables easy comparison between ethnic groups, within the current reporting year.

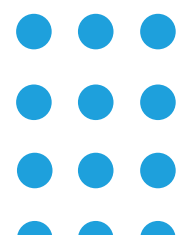
Further comparison of the ethnicity pay gap, between reporting years, will be provided in future reports.

A record of the 2023 NSS Ethnicity Pay Gap can be found in the table below.

The table contains headcount information alongside the mean and median hourly rates of pay for each ethnic grouping.

Ethnic group	Total	Mean hourly rate of pay	Median hourly rate of pay
African other	12	£12.70	£13.35
White Polish	19	£14.62	£12.07
Chinese	12	£16.35	£16.87
African	29	£16.72	£13.35
Arab	12	£16.88	£15.09
Pakistani	25	£17.90	£16.91
White Other	131	£18.32	£16.83
White Scottish	2417	£19.34	£16.83
Indian	27	£20.09	£17.71
Bangladeshi	*	£20.20	£15.09
Other Ethnic Group	13	£20.52	£16.91
Caribbean (includes Caribbean other)	12	£20.97	£14.34
Mixed background	27	£21.30	£16.91
Asian – other	20	£21.97	£20.83
White British	273	£22.37	£20.83
White Irish	28	£23.97	£20.90
White – Gypsy Traveller	*	£47.27	£47.27

The data is based on 3,062 responses, from a maximum workforce headcount of 3,483.



No ethnicity data is recorded for 421 employees. This is either because the employee has selected the 'prefer not to answer' option or no information was given. This equates to 12.09% of the overall NSS workforce.

It should be noted that all employees in the same post will be paid, regardless of ethnicity, according to the band for that post – which has been graded/evaluated according to the skills and responsibility requirements of the role.

Additionally, contractual terms and conditions have been applied consistently to all staff within each ethnicity grouping. This includes new start salary placement, promotion rules and incremental progression.

Section 7 – Mean and median pay gap data by disability grouping

The NSS Disability Profile splits employees into two high level groupings, that of:

- **Employees who have disclosed that they have a disability**
- **Employees who have disclosed that they do not have a disability**

The table below contains headcount information alongside the mean and median hourly rates of pay for these groups and confirmation of the pay gap.

This data is based on 3,091 responses, from a maximum workforce headcount of 3,483.

No data relating to disability disclosure is recorded for 392 employees. This is either because the employee has selected the 'prefer not to answer' option or no information was given. This group equates to 11.25% of the total NSS workforce.

	NSS Workforce Total		Hourly rate of pay for group		Mean Pay Gap Mean
	Headcount	% of Total Workforce	Mean	Median	
Employees who have disclosed that they have a disability	149	4.28%	£17.68	£16.83	
Employees who do not have a disability	2,942	84.47%	£19.66	£16.19	10.09%*
TOTAL	3,091				

***Please Note** – The disability pay gap is the difference in the average hourly rate of staff who have disclosed that they have a disability and staff who have disclosed that they do not have a disability.

The above table confirms that 4.28% of the NSS workforce have disclosed a disability - a positive development in that it shows a continuing increasing trend from 1.94% in 2017, 3.4% in 2019 and 4.19% in 2021.

Although a pay gap of 10.09% has been identified, in favour of those employees who have disclosed that they do not have a disability, this shows a reduction in the pay gap by 3.15% since 2021.

The following graph illustrates changes in the average hourly rate of pay since 2017 – when recording of disability pay gap information commenced - for employees who have disclosed that they have a disability and those who have disclosed that they do not have a disability.



Further analysis of the data for this cohort confirms that employees who have disclosed a disability can be found within AFC bands 2 to 8C as well as at M&D levels. There is also a small increase in the headcount of employees within this grouping. Analysis confirms an increase of 14 employees, since 2021, most predominantly at Bands 6, 7 and 8B.

Salary placement of new starts, taking into account that the greatest proportion of appointments fall within the middle quartile, as well as length of service of existing staff has had a direct impact on the average hourly pay rate results for this grouping.

It should be noted, that all employees in the same post, regardless of any disclosed disability, will be paid according to the band for that post which has been graded/evaluated according to the skills and responsibility requirements of the role.

AFC terms and conditions have been applied consistently for all staff within the AFC contract grouping, including new start salary placement, promotion rules and incremental progression. M&D staff progress incrementally on their pay scales, in a similar way to AFC staff. As such, commencing salary placement, length of service in grade and timing of each employee's annual incremental date for either contracting group are strong contributory factors on this pay gap result.



Section 8 – Conclusion and next steps

The common factors relating to Equal Pay are predominately linked to:

- starting salary placement,
- length of service, and
- incremental pay progression, across all staff groups.

A positive reduction in the NSS gender pay gap has been identified in 2023, falling by 2.64% over the last 2 years. Moreover, at 5.98%, this is the lowest gender pay gap percentage achieved over the past 8 years. The AFC and M&D gender pay gaps have also reduced, falling by 1.59% and 0.50% respectively over the same reporting period. In positive contrast, however, there has been a noticeable change in the gender pay gap across the EL/SM contracting group, swinging from 1.13% in favour of males (in 2021) to 3.16% in favour of females (in 2023). Natural turnover in male headcount, within this cohort, has directly impacted this result.

With regards to ethnicity, improvements have been made to our method of reporting, with further analysis to be provided in future reports.

With regards to disability, the number of staff disclosing that they have a disability continues to slowly increase, rising steadily by 2.34% over the past 8 years. Although a pay gap of 10.09% has been identified, in favour of those employees who have disclosed that they do not have a disability, this shows a reduction, falling by 3.15% since 2021.

Overall, the NSS Equal Pay Gap reports a positive position when considering the common factors linked to any of the gaps identified. There are however some areas where ongoing attention will be required to ensure these gaps do not widen further in future years, for example, those relating to disability.



APPENDIX 1

NSS EQUAL PAY STATEMENT

This statement has been agreed in partnership and will be reviewed on a regular basis by the NHS National Services Scotland (NSS) Partnership Forum and Staff Governance Committee.

NSS is committed to the principles of equality of opportunity in employment and believes that staff should receive equal pay for the same or broadly similar work, or work rated as equivalent and for work of equal value, regardless of age, disability, ethnicity or race, gender reassignment, marital or civil partnership status, pregnancy, political beliefs, religion or belief, sex or sexual orientation.

NSS understands that the right to equal pay between women and men is a legal right under both domestic and European law. In addition, the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012 requires NSS to publish pay gap information on a bi-annual basis. NSS must also publish information on occupational segregation within its workforce, being the concentration of women and men, persons who are disabled and those who are not, and persons who fall into a minority racial group and persons who do not, in particular grades and in particular occupations.

It is good practice and reflects the values of NSS that pay is awarded fairly and equitably.

NSS recognises that in order to achieve equal pay for employees doing the same or broadly similar work, work rated as equivalent, or work of equal value, it should operate pay systems which are transparent, based on objective criteria and free from unlawful bias.

NSS also recognises underlying drivers of pay inequality, including occupational segregation, inequality of unpaid care between men and women, lack of flexible working opportunities, and traditional social attitudes, and will take steps within its remit to address those factors in ways that achieve the aims of the NHSScotland Staff Governance Standard and the Equality Duty.

In line with the General Duty of the Equality Act 2010, NSS objectives are to:

- Eliminate unfair, unjust or unlawful practices and other discrimination that impact on pay equality
- Promote equality of opportunity and the principles of equal pay throughout the workforce
- Promote good relations between people sharing different protected characteristics in the implementation of equal pay



NSS will:

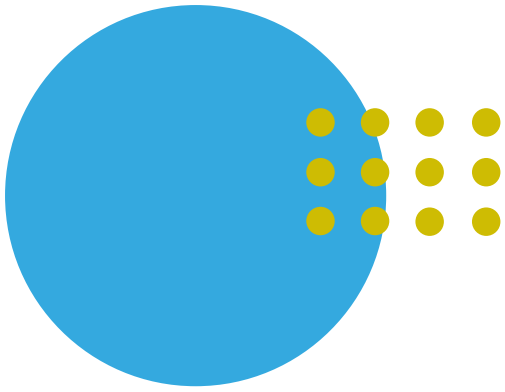
- On an annual basis, through the NSS Staff Governance Committee, review and monitor this policy statement and action points detailed below
- Ensure there are communication systems in place to inform employees on how pay practices work and how their own pay is determined. Included will be information about what policies exist to deal with any concerns about their pay
- Ensure that all managers and those involved in making decisions about pay, benefits and grading decisions are provided with training, policies and guidance to enable consistent and fair practice
- Continuously monitor our existing and future pay practices for all our employees, including part-time workers, those on fixed term contracts or contracts of unspecified duration, and those on pregnancy, maternity or other authorised leave
- Undertake regular monitoring of the impact of our practices in line with the requirements of the Equality Act 2010
- Ensure that equal pay is central to our commitment to fair organisational change, and that the outcomes for staff in relation to equal pay and occupational segregation are monitored
- Develop and implement a planned programme of equal pay reviews in line with Equality and Human Rights Commission guidance which will be developed in partnership with Trade Unions and Professional organisations

Responsibility for implementing this policy is held by the NSS Chief Executive.

NSS takes matters of equal pay, equality and inclusion seriously. It is committed to the principles of equality, diversity and human rights in employment and aims to ensure that all members of staff are treated fairly and consistently; in accordance with the NSS Staff Governance Standard, employment legislation and best practice.

If a member of staff wishes to raise a concern, they should do so informally in the first instance with their Line Manager. If the issue is not resolved informally, staff can use the NHS Scotland Workforce Grievance Policy to formally raise their concerns.





Designed by NHS National Services Scotland Creative Services

