

Gender pay gap report

For the year ending April 2023



Executive summary

“At 2.2%, we have continued to reduce our headline gender pay gap for a third consecutive year.”

For Nuffield Health to truly thrive, we must create a diverse, rewarding and equitable place to work, where all our people feel they belong. So, I am delighted to report that, for the third year running, we've reduced our headline gender pay gap. Our 2023 mean (average) pay gap is now 2.2%, compared to 3.4% last year, putting it at its lowest level since reporting began in 2017. This continues to be significantly below the national pay gap of 14.3%, as published in November 2023 by the Office for National Statistics (ONS).

Our 2023 median pay gap, which compares the middle of our hourly pay rates for men and women, as opposed to the average, is 1.2% higher for women than it is for men. Last year, this figure was 0.24% higher for men.

Although this is certainly good news, it's important not to become complacent. There's still opportunity for improvement, particularly by

increasing female representation in our senior leadership roles so we're more representative of the Charity's gender split overall.

Although there is no legal requirement to do so, for the third year we have also published our ethnicity pay gap. Encouragingly, we have increased our disclosure rate for the second consecutive year. In addition, our mean pay gap has risen from -4.4% in 2022, to -5.2% in 2023, where the negative gap indicates higher pay for our people from ethnic minority backgrounds. This ethnicity pay gap is based on an improved ethnicity disclosure rate of 75%, as at April 2023, compared with 68% in the previous year.

We're continuing to take steps to improve the level of self-reporting of ethnicity, and it is now a requirement for all new colleagues to complete their personal profiles on our HR system as part of the onboarding process.

For existing colleagues, we'll continue to engage our people with internal campaigns to encourage higher levels of disclosure.

While our overall ethnicity pay gap favours our ethnic minority population, there's still work to be done to improve representation at the most senior levels.

Our commitment to building a diverse and equitable place to work, where everyone has the opportunity to thrive, continues to be a driving factor in our strategy. Our Equity Forum is having a significant impact on our progress as a diverse and inclusive employer, and we continue to grow our minority employee networks to generate insights from employee members who are most likely to experience discrimination.



Steve Gray
Chief Executive Officer



In September 2021, we acquired five Aspen Healthcare hospitals and data relating to our Aspen colleagues is included in this report for the first time. Our report is based on a total of 15,194 colleagues across the Charity.

Our gender pay gap

Based on a 'snapshot' date in April 2023, we've reduced our mean gender pay gap by 1.2%, from 3.4% down to 2.2%, since last year. It's now at its lowest level since our first published report, which was based on payroll data from April 2017. This pay gap continues to compare favourably with the national average of 14.3%*. At 1.2%, our median gender pay gap is in favour of women, compared with 0.24% in favour of men as reported last year.

As in previous years, our mean gender pay gap is driven primarily by the hourly pay rate differentials in our upper quartile, where our most senior roles sit. It's calculated by comparing the average hourly pay rate for women, with the average hourly pay rate for men. A positive gap

indicates that the average hourly pay for men is higher than for women, whereas a negative gap indicates higher pay for women.

The median gender pay gap is calculated by arranging all hourly pay rates in ascending order and comparing the middle value for both men and women. Similar to the mean gender pay gap calculation, a positive gap indicates that the median hourly pay for men is higher than for women, whereas a negative gap would indicate the reverse.

Bonus pay gap

The bonus pay gap in this report reflects bonuses paid in the 12 months to April 2023. Our mean bonus gap for 2023 is 31.3%, which is up slightly from 30.7% in 2022, with our median bonus gap at 15.8% in favour of women compared to 51.8% in favour of men last year.

Similar to the pay calculations, the mean gender pay gap for bonus pay is calculated by comparing the average bonus for women with the average bonus for men. A positive gap indicates that the average bonus payment for men is higher than for women, whereas a negative gap would indicate higher bonuses for women.

The median gender pay gap for bonus pay is calculated by arranging all bonus payments in ascending order and comparing the middle value for both men and women.

Of the women who received a bonus in 2023, almost 40% worked part-time, compared with just 20% of men who received a bonus. The gender pay gap for bonus pay is calculated on total payments and doesn't take into account pro-rated payments, which are reduced for part-time workers in line with their total pay.

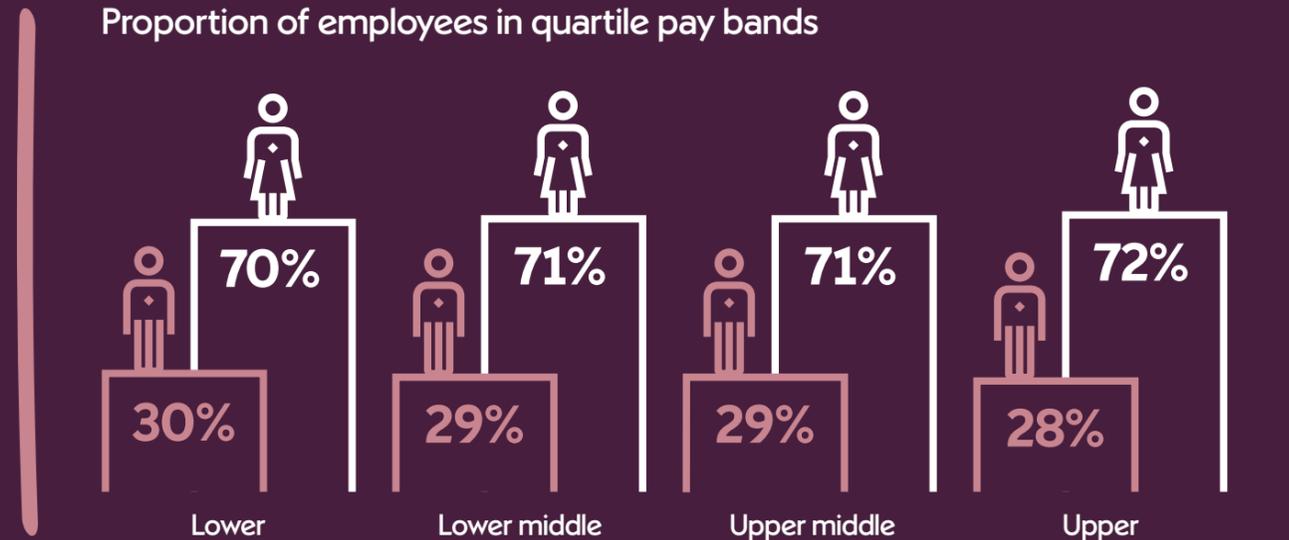
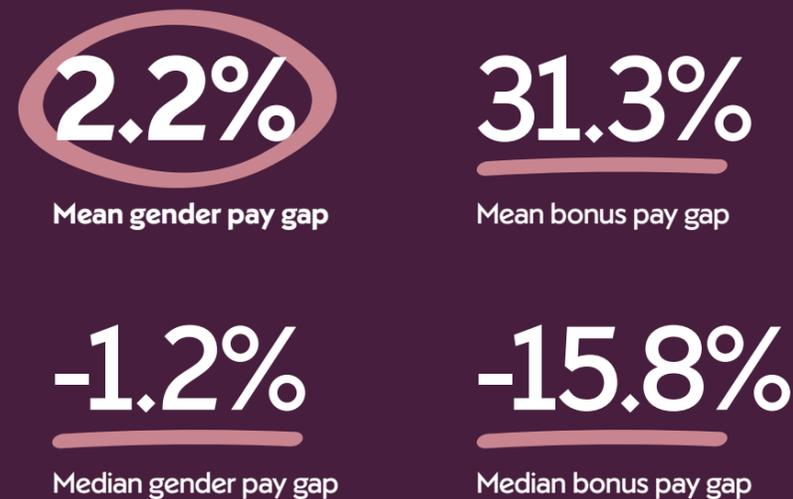
The percentage of both men and women receiving a bonus in the 12 months to April 2023 was lower than the previous year. This isn't surprising given that there were no payments during the period under our discretionary senior manager bonus scheme. Bonus payments reported during this period consisted primarily of commissions, sales incentives, Golden Hello incentives, and a small number of payments made to the Executive Team in respect of the 2021 financial year.

I confirm that this statement is true to the best of my knowledge and belief.



Steve Gray - Chief Executive Officer

* As reported by the Office for National Statistics in November 2023.



Our ethnicity pay gap

In this third year of voluntary reporting, we've continued to adopt the binary definitions recommended by the Office for National Statistics (ONS). As we continue to develop our Equality, Diversity and Inclusion Strategy, we'll review this approach to ensure our chosen reporting method remains meaningful and supportive of our aims.

As with the gender pay gap, our ethnicity pay gap calculations are based on pay data taken from April 2023. This indicates that we've maintained a pay gap in favour of colleagues from ethnic minority backgrounds, while further increasing our ethnicity disclosure rate.

Our mean ethnicity pay gap has increased from -4.4% to -5.2% in favour of our ethnic minority population, with our median ethnicity pay gap increasing from -13.8% to -15.8%. As reported last year, the ONS no longer publishes a comparative national pay gap for ethnicity.

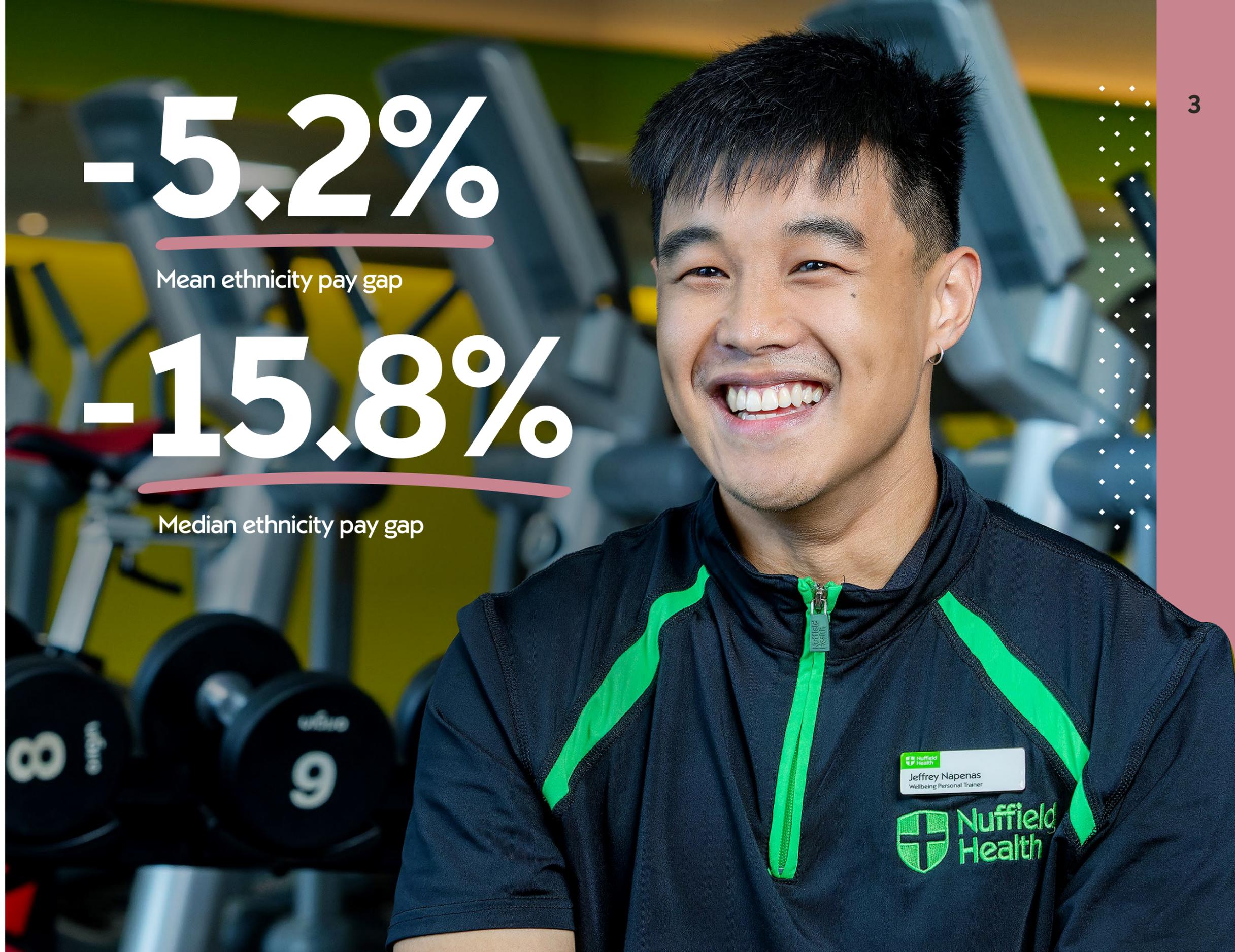
It's encouraging to note that this year's figures are based on a higher disclosure rate of 75%, compared to 68% achieved last year. This means the pay gap figures mentioned above reflect 75% of our people who voluntarily elected to disclose their ethnicity within the employee profile section of our HR Information system, Workday.

-5.2%

Mean ethnicity pay gap

-15.8%

Median ethnicity pay gap



Our plans to address the pay gaps



Although both our gender and ethnicity pay gaps are improving year on year, our upper quartile differentials are still having the biggest impact on our pay gap numbers. We recognise the importance of increasing representation in our senior leadership teams to better reflect the diversity of the Charity as a whole, in terms of gender and ethnicity.

In addition to addressing under-representation in our senior teams, we know it's important to avoid unconscious bias when making key people decisions in areas such as recruitment, performance and pay. We're, therefore, planning specific actions in this area.

Leadership progression

During the year ahead, we plan to investigate the progression path to leadership roles to ensure we're doing all we can to aid the attraction, retention and engagement of both

female and ethnic minority leaders. This will be through an assortment of talent mapping, mentoring and development programmes.

Tackling unconscious bias

In order to tackle unconscious bias earlier in the recruitment process, we'll pilot CV masking and improve our screening questions.

As part of our recruitment skills training, we'll also introduce timely unconscious bias training for leaders, together with the value of cultural add, over cultural fit. We'll continue to deliver our programme to upskill leaders in the area of employee relations' best practice management, with increased focus on diversity and inclusion.

Employee resource groups

We're committed to reducing the disparity in perspective highlighted in our employee survey responses. To progress this aim, we'll continue to grow our employee resource groups in order to generate insights from underprivileged members over disparities in confidence of access to opportunity and the appropriate handling of discrimination.

We recently launched our Neurodiversity network for neurodivergent adults, and parents of neurodivergent children. And we're exploring opportunities for the launch of a women's network. These are in addition to our existing Equity forum, Muslim and Pride networks, and Social Mobility group.

Our progress against our 2022 plans

PLAN: to continue to grow our employee resource groups to generate insights from minority employee members

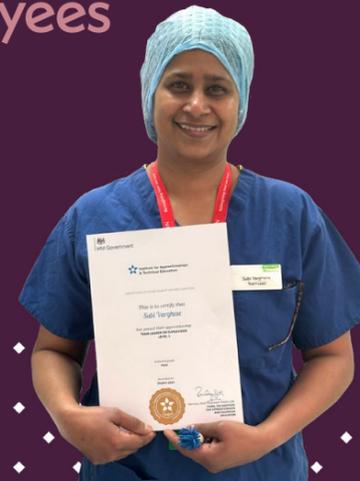


An Introduction to our Networks virtual webinar

During 2023, we continued to grow and mature our employee resource groups. Both the Muslim and Pride networks expanded in membership and activity. The Muslim network continues to create educational resources and hosted a collaboration event in March, exploring key areas such as 'Ramadan, Lent and healthy fasting'. Similarly, our Pride network supported the development of Charity-wide guidance relating to trans members and single sex spaces, as well as creating educational resources, and facilitating knowledge and awareness sessions at regional huddles.

PLAN: to report on access to apprenticeship opportunities for minority compared to non-minority employees

Subi Varghese with her team Leader Level 3 apprenticeship certificate



A review of the access to apprenticeship opportunities found that our ethnic minority colleagues are less likely to access apprenticeships than their white counterparts. However, the findings were impacted by a reduction in training volumes associated with COVID-19, and self-reported ethnicity status, as not all apprentices declared their ethnicity. Going forward, we'll focus on data accuracy and on improving the levels of self-reporting, as this will allow us to capture apprenticeship-related demographic data more accurately. We'll also look at widening access initiatives to encourage greater enrolment on learning programmes from under-represented groups.

Case study

Muzna Mahmood, Finance Business Partner – Investments

Having graduated from Imperial College, London, with a degree in engineering, Muzna Mahmood trained as a chartered accountant before joining the business development team of a renewable energy company.

She moved to Nuffield Health as Finance Business Partner in 2020, working on a variety of projects. She says: “I’ve always enjoyed problem solving and understanding how things work. And, since joining the Charity, I’ve been encouraged to learn about the health and fitness sectors, and to get involved and collaborate with different teams. I’ve also been invited to give support and advice where I can.”

For the last 18 months, Muzna has been an active member of the Social Mobility group, which promotes an equal and fair working environment where everyone has an opportunity to succeed. She says: “The belief that valuable skills, experiences and ideas come from diverse mindsets really resonates with me. It aligns to building an inclusive culture by raising awareness and challenging unconscious bias in the way we interact with people and communities we’re less familiar with.”



The aims of the group fit well with the Charity’s focus on widening its reach and building trust with communities living with lower resources. I’m inspired that senior leaders actively support the focus on social mobility.”

For Muzna, a mum to three young children, one of the best aspects of working for Nuffield Health is the network of informal mentors available to her. “There are so many people I can contact whenever I need to work through a new approach or proposal, and I’ve always felt encouraged, supported, and challenged to develop in my role.”

She believes that having ‘so many women in leadership positions’ sends a strong message that ‘being ambitious in the workplace is encouraged’. “I’m proud to be surrounded by so many talented women,” she says. “It’s empowering and provides a strong network for people to reach out to for guidance and support.”

“I’m inspired that senior leaders actively support the focus on social mobility.”



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