Excellent care with compassion

Trust Headquarters

NHS Lancashire Teaching Hospitals NHS Foundation Trust

Trust Management Board Report

Meeting of the	**Trust Management Board**		
Part I ☐		**Part II** ☐	
Title of Report	**Combined Pay Gap Report (Gender, Ethnicity, Disability) 2025**		
Report Author	Gemma Aspinall, Diversity and Inclusion Practitioner		
Lead Executive Director	Neil Pease, Chief People Officer		
Recommendation/ Actions required	The Trust Management Board is asked to: i) Receive and note this Combined Pay Gap Report ii) Approve the report for publishing on our Trust website by 30 March 2026		
	Decision ☒	**Assurance** ☐	**Information** ☐
Executive Summary	The purpose of this document is to present the findings and recommended actions of our 2025 Combined Pay Gap report. The report presents a high-level overview of differences in average pay by the following characteristics: • Gender • Ethnicity • Disability status Our Trust is legally obliged to publish our gender pay gap information. Currently, there is no legal requirement to publish ethnicity or disability pay gap information, however our publication of these data sets supports expectations set out in the NHS Equality Diversity and Inclusion Improvement Plan. In summary, our combined pay gap reporting finds: • Our **median gender pay gap is 1.9% in favour of male colleagues**, which is a **decrease** from 3.2% in 2024. • Our **median ethnicity pay gap is 7.5% in favour of BME colleagues**, which is a **decrease** from 8.3% in 2024 • Our **median disability pay gap is 16.8% in favour of colleagues without a disability**. This is the first time our Trust has reported a disability pay gap, and while the data presents a stark pay gap, caution in interpreting this data is advised, due to known gaps in our workforce data; we are aware that the data around self-reporting of disability status on the NHS Electronic Staff Record may not be an accurate representation of our workforce		

	Our ability to take action regarding pay gaps is somewhat limited due to the need to interrogate the data further to understand it fully. Addressing pay gaps may also be impacted by NHS terms and conditions, occupational and sector segregation (i.e. roles that are dominated by one group over another), and other factors unique to our Trust, such as the geographical locations of our sites. This report details the findings of each pay gap report, and subsequent proposed actions. **It is recommended that the Board** i) Receives and notes the report ii) Approve the report for publishing on our Trust internet site by 30 March 2025	
Link to Strategic Objectives 2025/26	**Patients – deliver excellent care:** Improve outcomes, reduce harm and deliver a positive patient experience.	☐
	Performance – deliver timely, effective care: Deliver agreed trajectories in clinical performance.	☐
	People – be a great place to work: Create an inclusive culture with leaders at every level leading colleague engagement.	☒
	Productivity – deliver value for money: Deliver the agreed financial plan including waste reduction programme, maximising use of resources.	☐
	Partnership – be fit for the future: Be an active system partner leading to the delivery of the system clinical strategy, university hospital status and fulfils our anchor and green plan ambitions.	☐
Due Diligence	To give the Trust Board assurance, please complete the following:	
Committee Approval:	Workforce Committee	Date: 13.1.2026
Operational Group Review:	Name of Operational Group:	Date:
Link to Board Assurance Framework:	Principal Risk 8 (25/26) - Experience of staff, with specific focus on under-represented staff groups	
Appendices	Not applicable	

Introduction

The purpose of this Combined Pay Gap Report is to present Lancashire Teaching Hospital's NHS Foundation Trust's (LTHTr) gender, ethnicity, and disability pay gap data, providing an overview of differences in average pay across these characteristics within our workforce. By publishing this data, we aim to identify disparities, understand their root causes, and take informed action to promote greater fairness and equity across our workforce.

This report represents a step forward in our commitment to transparency, equity, and inclusion across our workforce. In line with the UK Government's legal requirement under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, all public sector organisations with 250 or more employees are mandated to report annually on their gender pay gap. This report fulfils that statutory obligation by presenting a clear analysis of the differences in average earnings between women and men within our organisation.

For the second time, LTHTr is also reporting on pay disparities by ethnicity, and we also report our first analysis on pay disparities by disability. Although there is currently no legislative mandate requiring ethnicity or disability pay gap reporting, publishing this analysis aligns with the expectations set out in the national NHS Equality, Diversity and Inclusion Improvement Plan. The plan identifies pay gap reporting beyond gender as a vital action to drive forward inclusion, transparency, and accountability across the NHS. NHS England launched the Equality, Diversity and Inclusion Improvement Plan in June 2023, and set 6 High Impact Actions to support organisations to implement it. High Impact Action 3 specifies the need to "develop and implement an improvement plan to eliminate pay gaps", which requires NHS organisations to analyse pay gap data by protected characteristic and put improvement plans in place, starting with sex (gender), then ethnicity in 2024, disability by 2025 and other protected characteristics by 2026.

Moreover, with government consultation underway and potential legislation anticipated around mandated ethnicity and disability pay gap reporting, we are committed to proactively embedding these practices in anticipation of future requirements.

This is the first year we have sought to publish a Combined Pay Gap Report, which allows us to better understand the intersectional challenges faced by our workforce and to take meaningful action to close unfair pay gaps. This report provides a baseline from which we will continue to learn, improve, and ensure that all colleagues, regardless of gender, ethnicity, or disability, are treated equitably in terms of pay and progression.

Following discussions with colleagues in the Workforce Information Team, it is proposed that future combined pay gap reporting should take place in summer / Quarter 2 each year, instead of winter / Quarter 4. Adapting our reporting timescales will allow us more time to not only analyse the data in more detail but also allow us to explore longer-term actions to further explore and reduce pay gaps at our Trust. Changing our reporting timeframes will also increase opportunities to engage with colleagues about our pay gaps, such as via our staff forums, to understand more about working practices and experiences that may impact upon pay gaps.

Workforce Summary

To compile our Combined Pay Gap Report, we have analysed data taken from the NHS Electronic Staff Record (ESR). As of the 31 March 2025, LTHTr employed 9,942 employees. This is a decrease from 10,632 employees in 2024. This figure does not include staff who are currently receiving reduced pay due to reasons such as sick leave or maternity leave. This figure also does not include agency or Bank staff.

The tables below provide a summary breakdown of our full-pay, relevant workforce by the protected characteristics of gender, ethnicity and disability:

Gender	Headcount	% of total workforce
Female	7442	75%
Male	2500	25%
Total	**9942**	**-**

Ethnicity	Headcount	% of total workforce
BME	2954	30%
White	6845	69%
Unknown	143	1%
Total	**9942**	**-**

Disability	Headcount	% of total workforce
Disabled	627	6%
Not Disabled	8111	82%
Unknown	1204	12%
Total	**9942**	**-**

Combined Pay Gap Summary

The tables below show the mean (average) and median (middle value) pay gaps for gender, ethnicity and disability:

Gender	Female	Male	Gender Pay Gap (£)	Gender Pay Gap (%)
Mean Hourly Rate	£20.05	£26.34	£6.29	23.9%
Median Hourly Rate	£18.30	£18.66	£0.36	1.9%

Ethnicity	BME	White	Ethnicity Pay Gap (£)	Ethnicity Pay Gap (%)
Mean Hourly Rate	£23.84	£20.53	£3.31	16.1%
Median Hourly Rate	£18.94	£17.63	£1.31	7.5%

Disability	Disabled	Not Disabled	Disability Pay Gap (£)	Disability Pay Gap (%)
Mean Hourly Rate	£18.36	£21.49	£3.13	14.6%
Median Hourly Rate	£18.26	£21.95	£3.69	16.8%

The mean and median are standard measures used to highlight differences in average hourly pay between groups. The mean pay gap is calculated by adding together the hourly pay of all employees in a group and dividing it by the number of employees, then comparing the result between groups. The median pay gap represents the difference between the middle point of hourly earnings when all employees' pay is listed from lowest to highest.

Presenting both the mean and median figure helps to give us a more informed picture of pay disparities across our workforce. However, it should be noted that the mean figure can be influenced by very high or very low salaries, and the median figure gives us a better indication of what an employee earns at the Trust.

Gender Pay Gap Findings

Gender pay reporting is different to equal pay. Equal pay reporting considers the pay differences between men and women who carry out the same jobs, similar jobs, or work of equal value, whereas the gender pay gap shows the difference in the average pay between all men and women in a workforce.

The Equality Act 2010 states that men and women in the same employment, performing equal work, must receive equal pay. It is unlawful to pay people unequally because of gender. If a workforce has a particularly high gender pay gap, this can indicate that there may be issues to deal with, and the six mandated calculations set out in the gender pay gap may help organisations to identify what those issues are.

As an employer, Lancashire Teaching Hospitals NHS Foundation Trust must publish six calculations showing our:

- Average gender pay gap as a mean average
- Average gender pay gap as a median average
- Average bonus gender pay gap as a mean average
- Average bonus gender pay gap as a median average
- Proportion of males receiving a bonus payment and proportion of females receiving a bonus payment
- Proportion of males and females when divided into four groups ordered from lowest to highest pay

The Equality and Human Rights Commission has the power to enforce any failure to comply with gender pay gap reporting regulations. The Equality and Human Rights Commission advises that where there is a difference in pay related to the gender of an employee, the following measures apply:

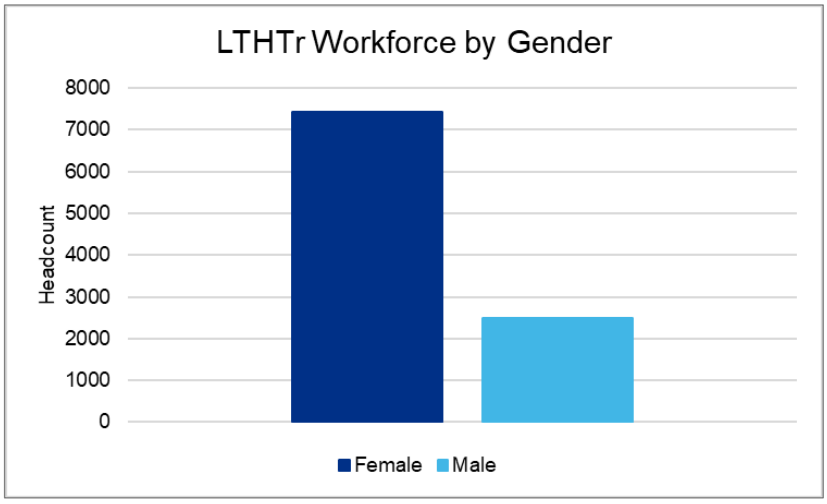
- Less than 3% difference, no action is necessary
- Greater than 3% but less than 5% difference, the position should be regularly monitored
- Greater than 5% difference, action should be taken to address the issue and close the gap

In our reporting, the **average gender pay median** is the figure which will be used as the most accurate indicator of pay to determine if further action is required.

Our workforce is 75% female and 25% male

Our Workforce Profile

Gender profile of our workforce at 31 March 2025:



The gender profile of our workforce is predominantly female.

The female / male split within the overall workforce remains consistent with our 2024 Gender Pay Gap report, at **75% female and 25% male**.

In terms of contract type, 54% of the female workforce has a full-time contract, and 46% of the female workforce has a part-time contract. In contrast, only 25% of male employees have a part-time contract, and 75% have a full-time contract.

Women occupy 75% of the lowest paid jobs and 67% of the highest paid jobs at Lancashire Teaching Hospitals NHS Foundation Trust

Our Workforce Disaggregated by Gender and Pay Quartile

The table below illustrates the headcount and percentage breakdown of female and male employees when divided into four pay quartiles, or groups, from lowest to highest pay.

To determine the proportion of employees in each quartile pay band, the following steps were used:

1. List all employees and sort by hourly rate of pay
2. Divide the list into four equal quarters
3. Express the proportion of male and female employees in each quartile band

Quartile	2025		2024		2023		2022	
	No. Female | Male	% Female | Male	No. Female | Male	% Female | Male	No. Female | Male	% Female | Male	No. Female | Male	% Female | Male
1. Lower	1857 | 628	75% | 25%	1993 | 662	75% | 25%	1968 | 582	77% | 23%	1,681 | 502	77% | 23%
2. Lower middle	1895 | 591	76% | 24%	2026 | 632	76% | 24%	1976 | 579	77% | 23%	1,689 | 494 |	77% | 23%
3. Upper middle	2022 | 449	82% | 18%	2154 | 505	81% | 19%	2084 | 469	82% | 18%	1,804 | 379	83% | 17%

4. Upper	1668 | 832	67% | 33%	1784 | 876	67% | 33%	1770 | 787	69% | 31%	1,444 | 739 |	66% | 34%
Total	**7442 | 2500** (9,942 total)	**75% | 25%**	**7,957 | 2,675** (10,632 total)	**75% | 25%**	**7,798 | 2,417** (10,215 total)	**76% | 24%**	**6,618 | 2,114** (8,732 total)	**76% | 24%**

When data is segmented by quartile, it shows that in the lower and lower middle groups, the female / male split is proportionate to our Trust's overall workforce gender profile, with females occupying three quarters of the roles that fall into each of these quartiles.

However, in the upper quartiles, there is a significant shift in representation. Females occupy 82% of roles in the upper middle group, yet representation drops notably in the Upper quartile. Male colleagues appear to be underrepresented in the upper middle quartile yet are statistically overrepresented in the Upper quartile.

While this data set is at a high level and it is therefore difficult to draw firm understanding behind pay gaps, it does suggest that the lower proportion of females working in roles in the Upper quartile may impact upon the gender pay gap at our Trust.

Our Gender Pay Gap

	Female	Male	Gender Pay Gap (£)	Gender Pay Gap (%)
Mean Hourly Rate	£20.05	£26.34	£6.29	23.9%
Median Hourly Rate	£18.30	£18.66	£0.36	1.9%

Women earn 98p for every £1 earned by men

Our data suggests that male employees generally are likely to earn more per hour than female employees, and therefore, a gender pay gap exists within LTHTr. It is important to note that while there is a gender pay gap, this does not mean that female and male employees are being paid differently for doing the same job (this would be an equal pay issue).

While data does highlight a gender pay gap within LTHTr, the current median gender pay gap of 1.9% falls below the 3% threshold of requiring further action as set by Equality and Human Rights Commission. Further exploration and analysis of our gender pay gap data set is recommended in order to identify Divisions, job roles or service areas where pay gaps exist and to understand the reasons why this may be the case. It is advisable to carry out further analysis of the data set by the end of March 2026, to allow for a detailed comparison of our gender pay gap in next year's combined pay gap report.

Analysis of Our Gender Pay Gap Over Time

Mean and Median Gender Pay Gap, 2021-2025						
	Mean hourly rate		% Difference	Median hourly rate		% Difference
	Female	Male		Female	Male	
2025	£20.05	£26.34	23.9%	£18.30	£18.66	1.9%
2024	£18.59	£24.02	22.0%	£16.75	£17.31	3.2%
2023	£17.13	£21.68	21.0%	£15.41	£15.92	3.2%
2022	£16.87	£24.69	31.7%	£14.57	£15.64	6.8%
2021	£16.00	£22.14	27.7%	£14.02	£15.04	6.8%

Gender pay gap data collected over the past five years shows that while a gender pay gap exists at our Trust, the gap is closing. The difference in median hourly rate for females and males has seen a marked decrease of almost 5% since 2021.

Proportion of Eligible Male and Female Staff in Receipt of a Bonus (Clinical Excellence Award)

0.3% of women and 3% of men were paid a bonus

The data presented in the table below shows the clinical excellence award (CEA) bonuses paid to staff split by gender and provides the mean and median bonuses paid over the past five years:

Mean and Median Bonus Pay Gap, 2021-2025						
	Mean hourly rate		Difference	Median hourly rate		Difference
	Female	Male		Female	Male	
2025	£11,512.31	£14,611.27	21.2%	£4,704.96	£9,048.00	48.0%
2024	£5,269.13	£8,213.47	35.9%	£3,014.84	£3,014.84	0.0%*
2023	£4,621.28	£8,534.87	45.9%	£2,316.00	£2,316.00	0.0%*
2022	£6,888.05	£10,441.88	34.0%	£3,818.66	£3,818.66	0.0%*
2021	£11,812.87	£15,721.28	24.9%	£6,032.04	£9,145.29	34.0%

* Please note: during the COVID-19 pandemic, the usual CEA application and selection process for medical consultants was set aside, and all eligible consultants were awarded an equal payment of £3,014.84. This resulted in no median bonus pay gap in the years 2022-2024.

The data in the table below shows the proportion of female and male colleagues who received a bonus in the past five years:

		Total head count paid Bonus	Total no. of relevant employees	% paid bonus
2025	**Female**	23	8,479	0.26%
	Male	89	2,951	3.02%
2024	**Female**	122	9403	1.30%
	Male	240	3125	7.68%
2023	**Female**	111	9622	1.15%
	Male	230	3035	7.58%
2022	**Female**	101	7,195	1.4%
	Male	233	2,203	10.6%
2021	**Female**	31	6,926	0.4%
	Male	109	2,072	5.3%

Our data shows that significantly fewer colleagues received a CEA in the financial year 2024-25 compared to the previous year. Of those who were eligible to receive a CEA, a higher proportion of male colleagues collected a payment compared to women (3.02% of eligible males compared to 0.26% of eligible females).

Looking at the 2025 mean and median pay gap data, while the mean pay gap has decreased since 2024, there is a significant mean and median pay gap between female and male colleagues receiving a CEA.

Ethnicity Pay Gap Reporting

The purpose of this section of our combined pay gap report is to present the findings, and any recommended actions, of our Ethnicity Pay Gap report for 2025. This is the second time we are presenting a report on our Ethnicity Pay Gap; there is currently no statutory obligation to publish this information however NHS England's Equality, Diversity and Inclusion Improvement Plan includes an action that specifies NHS organisations must analyse pay gap data by ethnicity and implement an improvement plan to eliminate pay gaps.

LTHTr is committed to being consciously inclusive in everything we do. We are mindful of the importance of inclusive language, and the power language has to convey respect, belonging and understanding. For the purpose of our ethnicity pay gap reporting this year, we are using the terms Black and Minority Ethnic (BME) and White, as these categories are currently used in NHS England Workforce Race Equality Standard (WRES) reporting. We acknowledge that these terms place diverse communities into broad, homogenous groups, and may mask pay gap disparities within and across ethnic groups. Following the publication of this year's pay gap reporting, it is recommended that the Trust carries out detailed analysis of data by specific ethnic group to further explore pay gaps and potential actions to mitigate them.

Ethnicity pay gap reporting is different to equal pay reporting; equal pay reporting considers the pay differences between white and ethnic minority colleagues who carry out the same jobs, similar jobs or work of equal value whereas ethnicity pay gap data shows the difference in the average hourly wage between

all BME and White colleagues across the workforce. If colleagues from ethnic minority groups do more of the less well-paid jobs within an organisation, the ethnicity pay gap is usually bigger.

As an employer, Lancashire Teaching Hospitals NHS Foundation Trust will publish six calculations showing our:

- Average ethnicity pay gap as a mean average
- Average ethnicity pay gap as a median average
- Average bonus ethnicity pay gap as a mean average
- Average bonus ethnicity pay gap as a median average
- Proportion of BME and White colleagues receiving a bonus payment.
- Proportion of BME and White colleagues when divided into four groups (or quartiles), ordered from lowest to highest pay

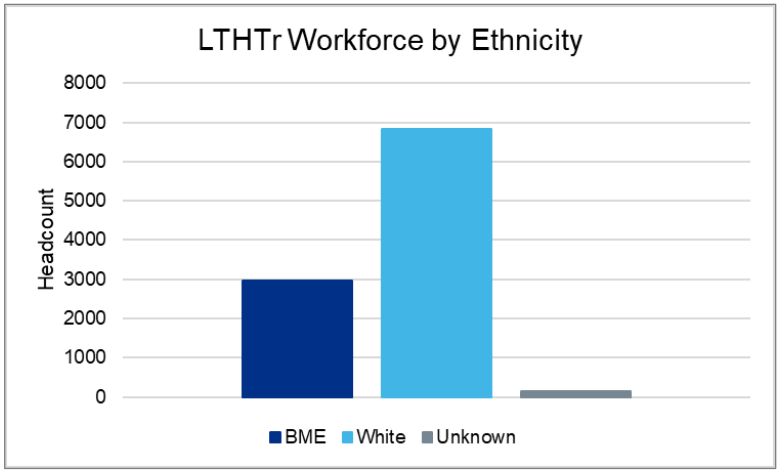
Please note: there are currently no defined thresholds, nor any requirement for us to take specific action in respect of ethnicity pay gaps. However, to be consistent across our combined pay gap reporting this year, we will follow the guidance from the Equality and Human Rights Commission in respect of the gender pay gap.

In line with Gender Pay Gap guidance, the **ethnicity pay median** is the figure which will be used as the most accurate indicator of pay to determine what further action might be required.

Our workforce is 30% BME, and 69% White

Our Workforce Profile by Ethnicity

Ethnicity profile of our workforce at 31 March 2025:



As at 31 March 2025, the ethnic profile of our workforce is predominantly White.

30% of our workforce is BME; this is an increase from 28% in 2024.

69% of our workforce is White, and 1% of our colleagues are of unknown or undisclosed ethnicity.

BME staff occupy 20% of the lowest paid jobs and 31% of the highest paid jobs

Our Workforce Disaggregated by Ethnicity and Pay Quartile

The table below illustrates the headcount and percentage breakdown of BME employees, White employees, and employees of unknown ethnicity when divided into four pay quartiles, or groups, from lowest to highest pay.

To determine the proportion of employees in each quartile pay band, the following steps were used:

1. List all employees and sort by hourly rate of pay
2. Divide the list into four equal quarters
3. Express the proportion of BME and white employees in each quartile band

Quartile	2025		2024	
	No. BME | White | Unknown	**% BME | White | Unknown**	**No. BME | White | Unknown**	**% BME | White | Unknown**
1. Lower	506 | 1947 | 32	20% | 78% | 1%	487 | 2125 | 43	18% | 80% | 2%
2. Lower middle	814 | 1643 | 29	33% | 66% | 1%	841 | 1788 | 29	32% | 67% | 1%
3. Upper middle	870 | 1573 | 28	35% | 64% | 1%	922 | 1705 | 32	35% | 64% | 1%
4. Upper	764 | 1682 | 54	31% | 67% | 2%	724 | 1873 | 63	27% | 70% | 2%
Total	**2954 | 6,845 | 143** (9,942 total)	**30% | 69% | 1%**	**2,974 | 7,491 | 167** (10,632 total)	**28% | 71% | 2%**

When data is segmented by quartile, it shows that in the lower and lower middle groups, the proportion of BME / White colleagues occupying the Lower middle and Upper quartiles is comparable to our Trust's overall workforce ethnicity profile, with BME colleagues occupying approximately a third of the roles that fall into each of these quartiles.

However, in the upper middle quartiles, there is a shift in representation, and BME colleagues occupy 35% of roles compared to 64% of White colleagues. There is a significant shift in representation in the Lower quartile, where at 20% the proportion of BME colleagues is considerably lower than our Trust's overall workforce ethnicity profile.

There is a much higher proportion of White colleagues occupying roles in the Lower quartile, and while this data set is at a high level and does not allow us to draw firm conclusions around the context of our ethnicity pay gap, it does suggest that the much higher proportion of White staff working in the Lower quartile may impact upon the ethnicity pay gap at our Trust.

Our Ethnicity Pay Gap

	BME	White	Ethnicity Pay Gap (£)	Ethnicity Pay Gap (%)
Mean Hourly Rate	£23.84	£20.53	£3.31	16.1%
Median Hourly Rate	£18.94	£17.63	£1.31	7.5%

BME colleagues earn £1.07 for every £1 earned by White colleagues

Our data shows a mean (average) pay ethnicity gap is 16.1% and the median ethnicity pay gap is 7.5%. BME employees generally are more likely to earn more per hour than White employees, and therefore, an ethnicity pay gap exists within LTHTr. It is important to note that while there is an ethnicity pay gap, this does not mean that BME and White employees are being paid differently for doing the same job (this would be an equal pay issue).

Applying the gender pay gap guidance published by the Equality and Human Rights Commission that advises where there are differences in pay, at 7.5% the median ethnicity pay gap is greater than 5% and therefore meets the threshold that requires action to address and close the gap.

The data shared in this report is at a high level and therefore there is a need to understand the detail, the nuance and the context of ethnicity pay gaps by division, and by specific ethnic group. It is recommended that further exploration and analysis of our ethnicity pay gap data set is undertaken, in order to identify Divisions, job groups or service areas where pay gaps exist and to understand the reasons why this may be the case. It is advisable to carry out further analysis of the data set by the end of March 2026, to allow for a detailed comparison of our ethnicity pay gap in next year's combined pay gap report.

Analysis of Our Ethnicity Pay Gap Over Time

Mean and Median Gender Pay Gap, 2021-2025						
	Mean Hourly rate		Difference	Median Hourly rate		Difference
	BME	White		BME	White	
2025	£23.84	£20.53	16.1%	£18.94	£17.63	7.5%
2024	£21.62	£19.06	13.4%	£17.56	£16.22	8.3%

As this is our second reporting year, it is challenging to make a firm analysis of change over time, as we have a limited range of information to shape our understanding. However, when compared to the previous year, our 2025 data shows that while the mean ethnicity pay gap has increased by nearly 3%, the median ethnicity pay gap has seen a slight decrease, from 8.3% in 2024, to 7.5% in 2025.

Proportion of Eligible BME and White Staff in Receipt of a Bonus (Clinical Excellence Award)

1.5% of BME colleagues and 0.7% of white colleagues were paid a bonus

The data presented in the table below shows the clinical excellence award (CEA) bonuses paid to staff split by ethnicity and provides the mean and median bonuses paid since we began to report ethnicity pay gap data:

Mean and Median Bonus Pay Gap, 2024-2025						
	Mean Hourly rate		Difference	Median Hourly rate		Difference
	BME	White		BME	White	
2025	£13,435.35	£14,572.45	7.8%	£10,358.51	£10,294.24	0.6%
2024	£6,478.34	£8,306.88	22.01%	£3,014.84	£3,014.84	0.0%

* Please note: during the COVID-19 pandemic, the usual CEA application and selection process for medical consultants was set aside, and all eligible consultants were awarded an equal payment of £3,014.84. This resulted in no median bonus pay gap in the years 2022-2024.

The data in the table below shows the proportion of BME and White staff overall who received a bonus in the two ethnicity pay gap reporting years that LTHTr has collated it:

2025	Total head count paid bonus	Total no. of relevant employees	% paid bonus
BME	54	3,689	1.5%
White	57	7,810	0.7%
2024	**Total head count paid bonus**	**Total no. of relevant employees**	**% paid bonus**
BME	160	3,209	5.0%
White	175	8,380	2.1%

Looking at the 2025 mean and median pay gap data, the mean pay gap has decreased significantly since 2024. There has been a slight increase in the median pay gap between BME and White colleagues receiving a CEA.

Significantly fewer colleagues received a CEA in this reporting year compared to the previous year. Of those who were eligible to receive a CEA, a similar number of BME and White colleagues collected a payment, however the cohort of eligible BME employees was numerically much lower compared to the White cohort, and this may be a factor in the data showing BME colleagues as being twice as likely to receive a CEA than White colleagues (1.5% compared to 0.7%).

Disability Pay Gap Reporting

The purpose of this section of our combined pay gap report is to present the findings, and any recommended actions, of our Disability Pay Gap report for 2025. This is the first time we are presenting a report on our Disability Pay Gap; there is currently no statutory obligation to publish this information however NHS England's Equality, Diversity and Inclusion Improvement Plan includes an action that specifies NHS organisations must analyse pay gap data by disability status and implement an improvement plan to eliminate pay gaps.

When considering the findings of this report, it is important to consider the potential limitations of the data set used to develop it. To calculate our disability pay gap, we have used a snapshot of disability declaration data on the ESR system on the 31 March 2025 which indicates that 6% of our workforce have declared a disability or long-term condition. From the findings of the yearly NHS Staff Survey and anecdotal intelligence, we are mindful that the data held on the ESR system regarding disability status is likely to be significantly under representative, and the actual number of colleagues living with a disability or long-term condition is likely to be higher as disabled colleagues may choose to self-report as being not disabled, or choose not to self-report their disability status at all.

Disability pay gap reporting is different to equal pay reporting; equal pay reporting considers the pay differences between disabled and non-disabled colleagues who carry out the same jobs, similar jobs or work of equal value whereas disability pay gap data shows the difference in the average hourly wage between all disabled and non-disabled colleagues across the workforce. If colleagues that have declared a disability do more of the less well-paid jobs within an organisation, the disability pay gap is likely to be bigger.

As an employer, Lancashire Teaching Hospitals NHS Foundation Trust will publish six calculations showing our:

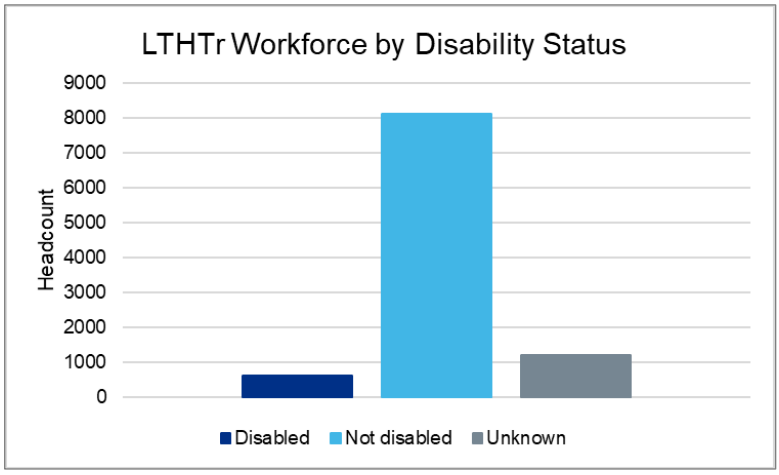
- Average disability pay gap as a mean average
- Average disability pay gap as a median average
- Average bonus disability pay gap as a mean average
- Average bonus disability pay gap as a median average
- Proportion of disabled and non-disabled colleagues receiving a bonus payment.
- Proportion of disabled and non-disabled colleagues when divided into four groups (or quartiles), ordered from lowest to highest pay

Please note - there are currently no defined thresholds, nor any requirement for us to take specific action in respect of disability pay gaps. However, to be consistent across our pay gap reporting, we will follow the guidance from the Equality and Human Rights Commission in respect of the gender pay gap.

In line with Gender Pay Gap guidance, the **disabled pay median** is the figure which will be used as the most accurate indicator of pay to determine what further action might be required.

Our Workforce Profile by Disability status

Profile of our workforce by disability status at 31 March 2025:



ESR data shows that 6% of our workforce were self-declared as disabled, and 82% of colleagues had self-declared as not living with a disability.

12% of our colleagues are of 'unknown' or 'undisclosed' disability status.

Disabled staff occupy 8% of the lowest paid jobs and 4% of the highest paid jobs

Our Workforce Disaggregated by Disability Status and Pay Quartile

The table below illustrates the headcount and percentage breakdown of colleagues living with a disability; colleagues not living with a disability; and those with unknown disability status, when divided into four pay quartiles, or groups, from lowest to highest pay.

To determine the proportion of employees in each quartile pay band, the following steps were used:

1. List all employees and sort by hourly rate of pay
2. Divide the list into four equal quarters
3. Express the proportion of disabled and not disabled employees in each quartile band

Quartile	2025	
	No. Disabled | Not Disabled | Unknown	% Disabled | Not Disabled | Unknown
1. Lower	210 | 1955 | 320	8% | 79% | 13%
2. Lower middle	162 | 2073 | 251	7% | 83% | 10%
3. Upper middle	156 | 2032 | 283	6% | 82% | 11%
4. Upper	99 | 2051 | 350	4% | 82% | 14%
Total	**627 | 8111 | 1204** (9,942 total)	**6% | 82% | 12%**

When data is segmented by quartile, it shows a noticeable decline in the proportion of disabled colleagues from the Lower to the Upper grouping. 8% of colleagues occupying roles in the Lower quartile have self-reported as living with a disability, while only 4% of colleagues in the Upper quartile live with a disability. The proportion of colleagues whose disability status is unknown varies in each quartile, which may limit our understanding of the actual number / proportion of colleagues living and working with disabilities at our Trust.

The proportion of disabled colleagues occupying the upper quartile is lower than our Trust's overall workforce disability profile; ESR data states 6% of our colleagues live with a disability, yet only 4% of colleagues in the Upper quartile self-report as living with a disability.

Our Disability Pay Gap

	Disabled	Not Disabled	Disability Pay Gap (£)	Disability Pay Gap (%)
Mean Hourly Rate	£18.36	£21.49	£3.13	14.6%
Median Hourly Rate	£18.26	£21.95	£3.69	16.8%

Colleagues who have self-declared living with a disability earn 83p for every £1 earned by colleagues who do not live with a disability.

Our data shows a mean (average) disability pay gap is 16.1% and the median disability pay gap is 16.8%. This means that colleagues living with a disability are likely to earn less per hour than colleagues that do not live with a disability, and therefore, a disability pay gap exists within LTHTr.

The scale of our disability pay gap is a significant concern; guidance published by the Equality and Human Rights Commission regarding the gender pay gap advises that where there is a difference in pay that is greater than 5%, action is required to address and close it. At 16.8%, our median disability pay gap is over three times higher than the threshold for action as defined in the gender pay gap guidance and requires urgent investigation and action to mitigate it. Some caution should be applied when considering disability pay gap data however, because we know that the number of colleagues self-reporting their disability status on ESR may not be an accurate reflection of the actual number of colleagues that live with a disability. Due to gaps in our understanding of disability status in our workforce, the actual pay gap may be lower, or higher, than the figures provided in this report.

While caution around the data set is advised, it is recommended that urgent further exploration and analysis of our disability pay gap data set is undertaken, in order to identify Divisions, job roles or service areas where pay gaps exist and to understand the reasons why this may be the case. It is advisable to carry out further analysis of the data set by the end of March 2026, to allow for a detailed comparison of our disability pay gap in next year's combined pay gap report.

It is important to note that while there is a disability pay gap, this does not mean that disabled and non-disabled employees are being paid differently for doing the same job (this would be an equal pay issue).

Proportion of Eligible Staff in Receipt of a Bonus by Disability Status (Clinical Excellence Award)

0.03% of Disabled colleagues and 2.8% of Non-Disabled colleagues were paid a bonus

The data presented in the table below shows the clinical excellence award (CEA) bonuses paid to staff split by disability status and provides the mean and median bonuses paid since we began to report ethnicity pay gap data:

Mean and Median Bonus Pay Gap, 2024-2025						
	Mean Hourly rate		Difference	Median Hourly rate		Difference
	Disabled	Not Disabled		Disabled	Not Disabled	
2025	£12,667.20	£11,644.86	8.1%	£4,101.72	£7,414.96	44.7%

The data in the table below shows the proportion of staff disaggregated by disability status who received a bonus in 2025:

2025	Total head count paid bonus	Total no. of relevant employees	% paid bonus
Disabled	**<5**	*****	**0.03%**
Not disabled	**65**	**2,314**	**2.8%**

* Please note, it is not possible to share the total headcount and total number of relevant employees in this report, as doing so may inadvertently disclose personally identifiable data and risk compliance with our obligations under UK General Data Protection Regulation (GDPR).

Our data shows a mean (average) disability bonus pay gap is 8.1% and the median disability pay gap is 44.7%.

The scale of the bonus pay gap (particularly the median bonus pay gap) suggests cause for concern. However, some caution should be applied when considering bonus pay gap data, due to the low number of colleagues living with a disability in receipt of a bonus, and also because we know that the number of colleagues self-reporting their disability status on ESR may not be an accurate reflection of the actual number of colleagues that live with a disability.

1. **Financial implications**
   None

2. **Legal implications**
   None

3. **Risks**

Our gender pay gap is currently below the threshold for immediate action as specified by the Equality and Human Rights Commission. However, regular monitoring is recommended, as while our gender pay gap has narrowed over recent years, a pay gap exists, and there is a need to understand why it exists, and what can be done to mitigate it and ensure any barriers to roles and opportunities in relation to gender are addressed.

Our ethnicity pay gap data shows that a pay gap does exist in relation to ethnicity at our Trust. However, there is a risk that a high level pay gap report does not capture the context and nuance of our workforce. For example, while our data set presents a mean and a median ethnicity pay gap in favour of BME employees, we know that a there is significant proportion of BME colleagues working in higher-earning medical and dental roles, which may mask ethnicity pay gap issues in other pay groups. There is a need to interrogate our data further to explore pay gaps by factors inclusion division and pay grade category, and other characteristics such as age, gender and disability status, in order to get a more holistic understanding of pay gaps.

Our disability pay gap data highlights a stark pay gap exists at our Trust. However, there is a risk that the underlying data used to calculate the disability pay gap may not be fully representative of our workforce, due to gaps in disability reporting rates on ESR.

4. **Impact on stakeholders**

Not applicable

5. **Recommendations**

Gender Pay Gap

Our organisation's mean gender pay gap is 23.9%, and our median gender pay gap is 1.9%. Currently, our median gender pay gap falls below the threshold for action set by the Equality and Human Rights Commission. However, it's important to continue to monitor our gender pay gap, and it is recommended that we explore our workforce data set in more detail to understand if there may be any divisions or areas that may be an outlier, and / or may experience disproportionate disparities. It is also recommended to understand more about the uptake of flexible working / part time options, as our data shows a low proportion of male part-time employees, compared to female employees. Understanding working practices and the balance of work life with home life, health and wellbeing, and caring responsibilities may provide insight into the prevalence of pay gaps or barriers / perceived barriers in career progression.

As noted in previous Gender Pay Gap reports, it is challenging to identify actions that make a tangible difference to our gender pay gap, as in part our policies and processes (in some cases) impact upon our ability to fully close the pay gap. For example, we actively encourage our colleagues to work flexibly and, aligned to the NHS People Plan, all our vacancies are advertised as having access to flexible working opportunities from day one. Given flexible working is seen as an employee benefit, we want colleagues to utilise it, however this may have an impact on our ability to close the gender pay gap due to the higher proportion of our workforce being female overall, and our data shows that a significantly high proportion of females hold a part-time contract.

Another challenge we face as an organisation is the pipeline of newly qualified candidates coming through degree courses and seeking employment with our Trust. If universities are unable to attract higher numbers of males into NHS Agenda for Change professions and higher numbers of females into medical and dental

professions, it makes it challenging for us to meaningfully change our workforce gender split and ultimately, our gender pay gap.

Ethnicity Pay Gap

Our mean ethnicity pay gap is currently 16.1% and our median ethnicity pay gap is 7.5%. Our data shows that BME colleagues are more likely to earn more per hour than White colleagues.

BME colleagues are disproportionately represented in higher-paying job categories or roles, such as medical and dental positions, yet are underrepresented in the lowest pay quartile. Fewer BME colleagues are working in low-paying, entry-level jobs, and this contributes to the overall higher average pay for BME colleagues. However, while this is the case in our pay gap data set, we know from our Workforce Race Equality Standard (WRES) reporting that ethnic minority colleagues are still significantly underrepresented in the highest, more senior management roles within our organisation; for example, our Executive Board membership is not proportionately representative of our wider workforce.

It is recommended that further work is undertaken to break down our ethnicity pay gap data and allow us to understand pay gaps in more detail – for example by disaggregating data from broad ethnic categories of BME and White into specific groups and considering data broken down by division and professional group. Extending our analysis to incorporate an intersectional approach that looks at ethnicity, disability and gender would also be recommended as this will help us to understand the potential impacts of multiple characteristics upon pay and pay gaps.

Disability Pay Gap

Our mean disability pay gap is currently 16.1% and our median disability pay gap is 16.8%. Our data shows that non-disabled colleagues are more likely to earn more per hour than disabled colleagues.

Our disability pay gap data highlights a concern that requires focused attention; there is a clear under-representation of disabled staff in higher pay quartiles, which indicates that disabled colleagues are currently concentrated in lower-paid roles, and there may be limited opportunities for progression, because representation of disabled staff reduces significantly in the higher pay quartiles.

Our data also illuminates a concern regarding disability disclosure at our Trust. 6% of colleagues have self-reported as living with a disability; this is significantly lower than the proportion of residents living in the Lancashire-12 area that reported living with a disability in the 2021 Census (19.3%) and therefore indicates that self-reporting rates at our Trust are under representative.

A low rate of self-reporting as living with a disability may have multiple causes. There may be a low proportion of colleagues working at LTHTr that live with a disability; however anecdotal information gathered from the Trust Equality, Diversity and Inclusion Team and our Trust's Disability and Neurodiversity Staff Forum suggests there is a large community of colleagues living with a disability, and some colleagues do not disclose their disability status on ESR – instead some colleagues state they do not have a disability, or choose not to report at all.

Hesitancy in self-reporting disability status may reflect concerns about stigma, a lack of confidence in how the information will be used, or uncertainty around what constitutes a disability. Regardless of the reason/s, the absence of accurate data makes it more difficult to fully understand and address disparities in pay and representation.

To fully understand our disability pay gap, we must take steps to foster a more inclusive and supportive workplace environment that supports colleagues living with a disability to feel safe and confident to disclose their status, and where reasonable adjustments and career development opportunities are readily available and barrier-free. This will enable us to gather more representative data in the future and allow us to perform a more robust analysis of disability data gaps that may exist in our organisation.

It is recommended that the Committee

i) Receive and note this Combined Pay Gap Report
ii) Approve the report for publishing on our Trust internet site by 30 March 2026