

## Gender Pay Gap Report - Northumbria Healthcare NHS Foundation Trust

### Introduction

Northumbria Healthcare Foundation Trust (NHCFT) are required to carry out Gender Pay reporting under the Equality Act 2010 (Gender Pay Gap Information Regulations 2017).

It is important to appreciate that gender pay and equal pay are two distinct concepts:

- Equal Pay is concerned with men and women earning equal pay for work of equal value.
- The gender pay gap is about the difference between men and women's average pay within an organisation.

Reporting the gender pay gap involves carrying out six calculations that show the difference between the average earnings of men and women in NHCFT; it does not involve publishing individual employee's data.

We are required to publish the results on our own website and the government website. We are required to do this within one calendar year of March 31st 2019.

To be clear, the following is a gender pay report for NHCFT and does not include the subsidiary companies – Northumbria Healthcare Facilities Management Limited (NHML) and Northumberland Primary Care (NPC). A separate report has been produced for NHFML and in line with legislation NPC are not required to report as they do not have 250+ employees.

The results of the report will be used to assess:

- the levels of gender equality in our workplace
- the balance of male and female employees at different levels
- how effectively talent is being maximised and rewarded.

The challenge in our organisation and across Great Britain is to eliminate any gender pay gap.

### 1.0 Gender Pay Gap

We have seen a 1.59% increase in Headcount from 8412 in 2018 to 8546 in 2019. 1.34% increase in female headcount (6881 to 6974) and a 2.75% increase in male headcount (1530 to 1572).

The gender pay gap for NHCFT, measured by **median** hourly rate, is **2.99%** which is a decrease from **5.6%** from last year. The calculations were obtained from the ESR system which have been nationally determined and are in line with regulations. For this calculation "actual pay" was used which includes basic pay, allowances, pay for leave and shift premium pay. It is important to note that anyone who is in a period of no pay (e.g. maternity leave, sickness, special leave) will not appear in the figures.

The below table shows the median hourly rate and the mean hourly rate for males and females in NHCFT. This is calculated using the employees pay they have received within the snapshot period of 31 March 2019. The median hourly rate, calculated as the mid-point of the salary distribution for men was £13.55 and for women £13.15.

To calculate mean hourly rates, we totalled all the men's earnings and divided by the number of men employed on this date. The mean is £18.80 per hour. We did the same for the women with the mean being £14.89 per hour. This is a difference of £3.91 which is a slight decrease from £3.92 last year. The gender pay gap measured by **mean** hourly rate is **20.79%** which is a decrease from **21.4%** last year.

Gender	Mean Hourly Rate	Median Hourly Rate
Male	18.80	13.55
Female	14.89	13.15
Difference	3.91	0.41
Pay Gap %	20.79%	2.99%

## 1.1 Quartile Reporting

The below table illustrates the gender distribution in NHCFT across four equally sized quartiles:

Quartile	Female	Male	Female %	Male %
4	1640	497	76.74%	23.26%
3	1820	316	85.21%	14.79%
2	1816	321	84.98%	15.02%
1	1698	438	79.49%	20.51%

## 1.2 Where is the gap?

Increased headcount can be attributed to male employees in Q1/Q2 (6.31% and 3.88% headcount increase respectively on 2018 figure).

Quartile representation is down in 3 of the 4 quartiles for female employees – this is not significant. This is despite a higher % change in headcount from 2018 for each quartile, which is less than half of that of male employees.

Quartile 1 highlights that there is only 20.51% of males in lower banded roles as oppose to 79.49% females. There are more males in lower banded support services, mainly in Estates and Facilities which sit within the subsidiary company NHFML and therefore not reported under NHCFT.

The gap predominately exists within quartile 4 with the majority of our Consultant Medical Staff sitting in this quartile. This is the highest paid group of medical staff which will significantly impact on the mean gender pay gap.

Last year we recalculated the gender pay gap excluding the Consultant population which dramatically reduced the pay gap. This is apparent again this year.

The age profile of Consultants as of March 2019 shows that we have 69 males in the age range 50-59 compared to 29 females. It would be this age range where Consultants would reach the top of the national pay band as it takes 19 years from your first year of being a Consultant. This will therefore give rise to a significant gap in the average earnings.

In the age bracket of 30-39 we have 14 females and 17 males and in the age bracket 40 – 49 we have 53 females and 71 males; therefore, a shift is apparent in the number of females becoming Consultants.

## 2.0 Bonus Pay Gap

NHCFTs bonus pay gap is **48.14%** a slight decrease from **48.4%**. This includes bonuses (Commercial Team), discretionary points and Clinical Excellence Awards. Please see chart below:

Gender	Mean Pay	Median Pay
Male	10,756.44	6,032.04
Female	5,578.56	3,015.96
Difference	5,177.89	3,016.08
<b>Pay Gap %</b>	<b>48.14</b>	<b>50.00</b>

## 2.1 Where is the gap?

Our Consultant workforces are eligible to apply for Clinical Excellence Awards (eligibility criteria apply). Given the gender split of Consultants this has been looked into in more detail. Please see the breakdown below for the past 4 years:

	2016		2017		2018		2019	
	Eligible to Apply	Successful						
Female	85	4	91	14	92	14	94	14
Male	158	27	159	19	153	15	157	9

As you can see from the table above there was a significant increase in the proportion of successful female applicants in 2017 compared to 2016. This has stabilised for the 2018 and 2019 figures, 14 females applied and 14 were successful. It is the 2019 figures that will have been used for the gender bonus pay calculations. This indicates as in the previous year that much of the Trust's bonus gap is explained simply by the larger number of male Consultants, rather than by any discrimination in favour of men in the process for marking awards.

The CEAS process has changed where by the aggregation of awards has now gone; the Trust have implemented the national reform to Clinical Excellence Awards. This will mean that as the Consultant population has been predominantly male they have been the ones receiving the aggregated higher awards; this will no longer be the case.

The Commercial Team receive quarterly bonuses based on agreed performance targets. The bonuses paid are the same for staff regardless of their gender. This will impact on the pay gap however not significantly.

## 3.0 Actions to address our gender & bonus pay gap

NHCFT is committed to continuing to address the gender and bonus pay gaps and is looking at the following:

- To encourage women Consultants to apply for CEA awards. For the 2020/21 round of CEAS we will commit to write to all female Consultants highlighting the CEA process and offering support with the application form.
- To continue the development of formal talent management processes within the organisation to encourage access of opportunity.
- To continue to ensure that all recruitment processes from apprenticeships upwards are encouraging a balance of both male and female applicants.

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