

NORTHUMBRIA HEALTHCARE FACILITIES MANAGEMENT LIMITED

GENDER PAY GAP REPORT

1.0 Introduction

Northumbria Healthcare Facilities Management Limited (NHFML) is 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 NHFML; it does not involve publishing individual employee's data.

The results are required to be published on our own website and the government website. There is a requirement to do this within one calendar year of April 5th 2019.

The results 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.

2.0 Gender Pay Gap

We have seen a 45.5% increase in Headcount from 608 in 2018 to 885 in 2019. 59% increase in female headcount (320 to 510) and a 30% increase in male headcount (288 to 375). The increase in Headcount can be attributed to the Estates Community staff being transferred from NHCT to NHFML in May 2018.

The gender pay gap for NHFML, measured by **median** hourly rate, is **0.69%** which is a significant decrease from **5.1%**. 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 men and women in NHFML. This is calculated using the employees pay they have received within the snapshot period of 5 April 2019. The median hourly rate, calculated as the mid-point of the salary distribution for men and for women, shows a gap of 0.69% between men and women. To calculate mean hourly rates, we totalled all the men's earnings and divided by the number of

men employed on this date. The average is £11.61 per hour. The same was carried out for the women with the average being £11.53 per hour. This is a difference of £0.08p. The gender pay gap measured by **mean** hourly rate is **1.18** which is a significant decrease from **9.8%**.

Gender	Median Hourly Rate	Mean Hourly Rate
Male	11.61	11.97
Female	11.53	11.83
Difference	0.08	0.14
Pay Gap %	0.69%	1.18%

2.1 Quartile reporting

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

Quartile	Female	Male	Female %	Male %
1	122	99	55.20	44.80
2	134	87	60.63	39.37
3	144	77	65.16	34.84
4	110	112	49.55	50.45

2.2 Where is the gap?

The mean gap has significantly reduced for the 2019 figures. The senior management team are in general those people who are in receipt of the highest hourly rate of pay and therefore contribute significantly to the mean gender pay gap; this year has seen an increase from 56 to 110 females showing in this group (quartile 4). Q4 Representation balanced at 49.55%/50.45% split (from 36.84% Female/63.16% Male in 2018). Q2 and Q3 have also seen significant increase in females within the groupings.

This year sees a predominance of women in Q1, which represents the relatively low-banded facilities staff however with a split of 55.20% female and 44.80% male this gap has closed considerably from 2018 (69.08% female and 30.92% male). The closure of Agenda for Change pay band 1 as a consequence of national pay negotiations has assisted in re-balancing the pay gap – as these staff have been developed to move into Band 2 roles.

The findings would suggest that NHFML are encouraging and supporting the female workforce to progress within the company which was an action from last year.

2.3 Actions to address our gender pay gap

NHFML is committed to addressing the gender pay gap and are looking at the following:

- To continue to ensure that all recruitment processes from apprenticeships upwards are encouraging a balance of both male and female applicants.

- To continue to develop our talent management pathways to further encourage equality of opportunity across the entire workforce.

3.0 Bonus Pay Gap

As reported last year the bonus pay gap for NHFML is **0%**. Employees within NHFML do not receive any type of bonus pay.

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