

GENDER PAY GAP REPORT 2021 – NORTHUMBRIA HEALTHCARE NHS FOUNDATION TRUST

1.0 Introduction

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

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

- Equal pay is concerned with male and female employees earning equal pay for work of equal value.
- The gender pay gap is about the difference between male and female employees' average pay within an organisation.

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

NHCFT are required to publish the results on our own website and the UK Government website. NHCFT are required to do this within one calendar year of the snapshot date at which the gender pay gap is calculated – this year being March 31st 2021.

To be clear, the following is a gender pay report for NHCFT and does not include the subsidiary companies – Northumbria Healthcare Facilities Management (NHFM) and Northumbria Primary Care (NPC). A separate report has been produced for NHFM 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 the United Kingdom is to eliminate any gender pay gap.

2.0 Gender Pay Gap

The Trust have seen a 2.30% increase in Headcount from 8,855 at 31st March 2020 to 9,059 at 31st March 2021. This can be split by a 2.57% increase in female headcount (7,231 to 7,417) and an 1.11% increase in male headcount (1,624 to 1,642).

The gender pay gap for NHCFT, measured by **median** hourly rate, is **9.24%** - an increase from **5.68%** 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 employed by NHCFT. This is calculated using the pay each employee received within the snapshot period of the month including 31 March 2021. The median hourly rate, calculated as the mid-point of the salary distribution for male employees, was £15.62; this represents a £1.35/9.46% increase on 2020's rate of £14.27, and for female employees this was £14.17, representing a £0.71/5.27% increase on 2020's rate of £13.46.

Gender	Mean Hourly Rate (Actuals)	Median Hourly Rate (Actuals)
Male	£20.3603	£15.6187
Female	£16.0082	£14.1748
Difference	£4.3521	£1.4439
Pay Gap	21.3754%	9.2447%

To calculate mean hourly rates, the male earnings are totalled and divided by the number of male employees employed on this date. The mean hourly rate for male employees was £20.36 per hour, an increase of £1.01/5.22% from the 2020 rate of £19.35. The same calculation was made for female employees, and resulted a mean hourly rate of £16.00 per hour, an increase of £0.72/4.71% on the 2020 rate of £15.28. This difference between the hourly rates for male and female employees was £4.35, an increase from £4.07 in 2020. The Trust's gender pay gap for 2021, measured by **mean** hourly rate, is **21.38%**, which when compared to 2020's figure of **21.05%**, is an increase of 0.33 percentage points.

2.1 Quartile Reporting

The below table illustrates the gender distribution in NHCFT across four equally sized quartiles (2020 values in brackets):

Quartile	Female	Male	Female %	Male %
Q 4	1,687 (1,699)	579 (537)	↓ 74.45 (75.98)	↑ 25.55 (24.02)
Q 3	1,960 (1,866)	305 (326)	↑ 86.53 (85.13)	↓ 13.47 (14.87)
Q 2	1,899 (1,948)	369 (336)	↓ 83.73 (85.29)	↑ 16.27 (14.71)
Q 1	1,871 (1,718)	389 (425)	↑ 82.79 (80.17)	↓ 17.21 (19.83)

2.2 Where is the gap?

The increase in the mean gender pay gap by 0.33 percentage points can be attributed to a combination of factors:

- a greater increase in overall female headcount (2.57 % female vs 1.11% male when comparing 2020 to 2021).

- a slight decrease in the representation of female employees in the top 2 quartiles (Q4/Q3) from 49.3% in 2020 to 49.17% in 2021, resulting in a slight increase in female representation in the lower 2 quartiles (Q2/Q1) from 50.7% to 50.83%.
- the median hourly rate increase from 2020 to 2021 was £1.35 for male employees, and only £0.71 for female employees.

The most significant changes in the quartile representation are:

- an increase in the headcount of male employees in Q2 – up 9.82% from 336 in 2020 to 369 in 2021. Female employees saw a decrease in their Q2 representation – down 2.52% from 1948 in 2020 to 1899 in 2021.
- an increase in the headcount of female employees in Q1 – up 8.9% from 1,718 in 2020 to 1,871 in 2021. Male employees saw a decrease in their Q1 representation – down 8.47% from 425 in 2020 to 389 in 2021.

There was also a notable increase in the headcount of male employees in Q4 - from 537 in 2020 to 597 in 2021, a 7.82% increase. The female equivalent was a decrease of 0.7% - from 1,699 in 2020 to 1,687 in 2021.

2.3 The Impact of Consultant Medical Staff

In both 2019 and 2020, the gender pay gap was recalculated to exclude the Medical Consultant population which dramatically reduced the gap in both years; this is apparent again this year with an overall mean pay gap of 5.17% when these employees are excluded.

Male employees have the greatest overall percentage representation in Q4, comprising 25.55% of employees in this quartile. Of the 579 male employees in this quartile, 32.6% (189) are Medical Consultants (there are 100 female Medical Consultants accounting for only 5.93% of the 1,686 female employees in Q4). The imbalance in these numbers, and the impact of the difference in age profile, and therefore the varying pay scales of the Trust’s Medical Consultants, has a significant impact on the overall Gender Pay Gap.

The table below shows the age profile of all Medical Consultants as at March 2021.

Age Profile Grouping	Female Headcount and % of grouping	Male Headcount and % of grouping
31-40	16 (34%)	31 (66%)
41-50	61 (44%)	79 (56%)
51-60	25 (27%)	69 (73%)
61 >	1 (4%)	22 (96%)

The total number of male Medical Consultants in the age range 51 and over is 91; the number of female Medical Consultants in the same age range is 26. It would usually be within this age range where Medical Consultants would reach the top of the national pay band, as it takes 19 years from the first year of employment as a Medical Consultant. This will therefore give rise to a significant gap in the average earnings.

In the lower age brackets (31-50) there are 77 female employees and 110 male employees; there is a notable increase in the numbers of female employees occupying Consultant roles through the lower age brackets, when compared to the upper age brackets; the 41-50 bracket has the most even distribution (44% female to 56% male), with the lowest age group bracket of 31-40 reflecting a 34% female to 66% male split.

A national review of Clinical Excellence Awards (CEA) is underway and this may have an impact to reduce the gap, as proposed changes include broadening access to the scheme and making the application process simpler, fairer and more inclusive.

2.4 Additional Reasons for the Pay Gap

A further review has been completed this year to better understand both the overall GPG, and the 5.17% GPG when Medical Consultants are excluded. Each of the pay elements included for the calculation of the GPG was reviewed to better understand both the average monetary values each gender received for each element, and the percentage of the total headcounts of each gender receiving each element. This resulted in the following findings for the highest value and/or most frequently paid elements:

- Basic Pay (Base Salary) – The average gross pay value for male employees was £3,218; almost 40% higher than that of female employees at £2,151.
- Additional Basic Pay – The average gross pay value for male Employees was £607, as with Basic Pay this was 40% higher than that of female employees at £405. This was received by 15% of female employees, and by 14% of male employees.
- Saturday and Sunday Enhancement Pay – Both male and female employees received comparable average values for these elements, at £57 and £58 respectively for Saturday Enhancements, and £123 and £120 for Sunday Enhancements. Approximately 25% of male employees received these enhancements, compared to around 30% of female employees.
- On-Call Payments – As a percentage of the overall headcounts, more males than females were in receipt of both of the elements linked to On-Call Working, and this is paid at a higher rate for males across both:
 - For the On-Call Manual element (payments to non-medical staff for being on-call) a total of almost 6% of male employees received payment at an average value of £80, compared to 3% of female employees, with the average payment being £59.
 - For the On-Call Supplement element (payments to medical staff for being part of the On-Call Rota), although average pay values were much more similar at £289 for male employees, and £286 for female employees, almost 9% of all males were in receipt of this element, compared to 0.94% of all females. This is in part due to the Trust having almost double the number of male (188) than female (100) Medical Consultants. When considering only the total number of male and female Medical Consultants eligible for this pay element, 70 of 100 (70%) female Medical Consultants received this, compared to 143 of 188 (76%) of male Medical Consultants.
- Unsocial Hours Enhancements - Were paid to 14% of male employees and 16% of female employees. The average male pay value was £28, which is almost 30% higher than the female equivalent at £21.

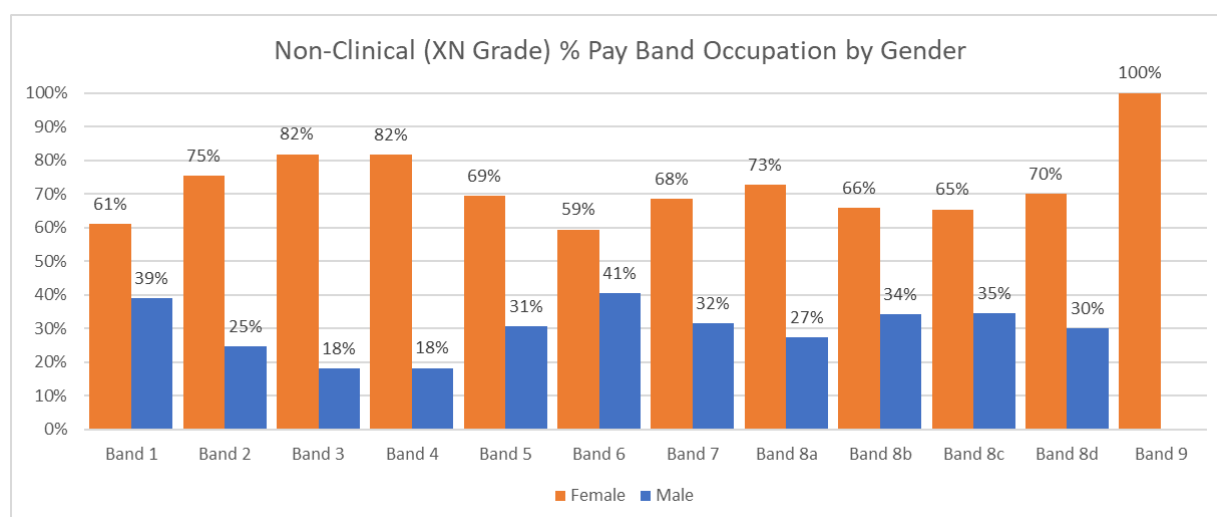
Sickness Absence can also be considered to have a significant impact in the existence of the GPG. Female employees across all sectors generally have higher rates of sickness absence than male employees, and this is true for NHCFT. For the month of the GPG snapshot date (March 2021), there were 1,126 episodes of sickness absence for female employees (over 15% of all female employees reported sickness absence), and 196 episodes for male employees (around 12% of all male employees reporting sickness absence). The average length of sickness absence episodes for the period is also higher for female employees than for male employees, at 53 and 49 days respectively. As female employees generally have both more absence episodes of greater lengths than male employees, they are also more likely to exhaust their full-pay entitlement and drop into half or nil pay earlier and more frequently than male employees.

2.5 Pay Band Review

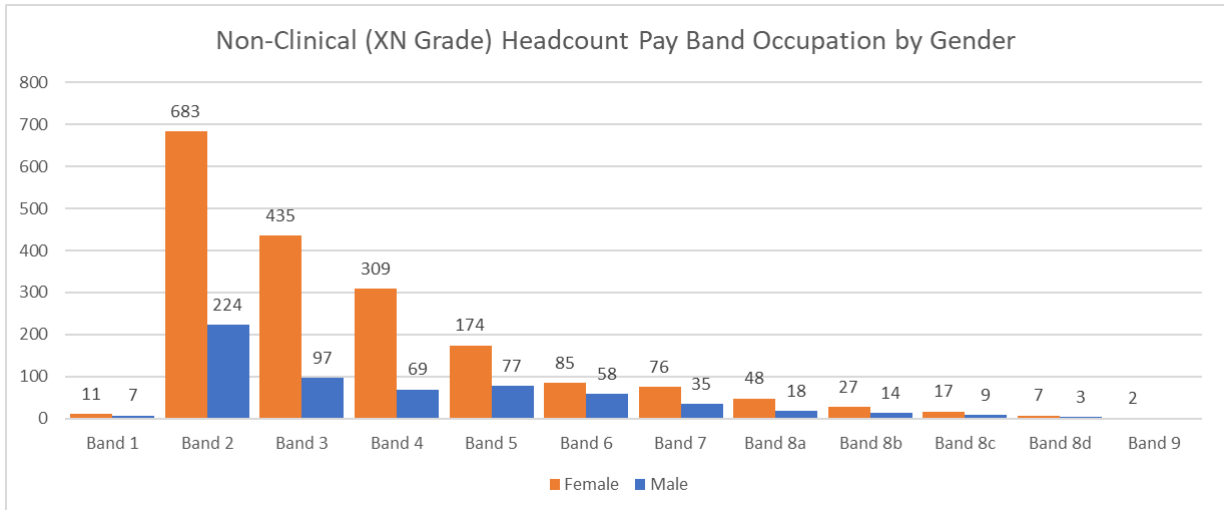
The variance in occupation of the Agenda for Change (AfC) pay bands by male and female employees can also be used to better understand the Trust’s GPG. For the purpose of the 2021 GPG, the Trust reported on a total of 9,059 employees, of which 7,417 (82%) were female, and 1,642 (18%) were male.

For the 2,485 non-patient-facing AfC employees (27% of all staff), there was direct proportional representation of this gender split across Bands 3 and 4, but a higher than overall percentage of males throughout all other Bands. At Band 2, and above Band 4, male employees are over-represented; this is to a greater extent at Band 5 and above than it is at Band 2.¹

The following charts show the percentage occupancy gender splits for each Band for non-patient-facing employees, and the total headcounts in each Band by gender.



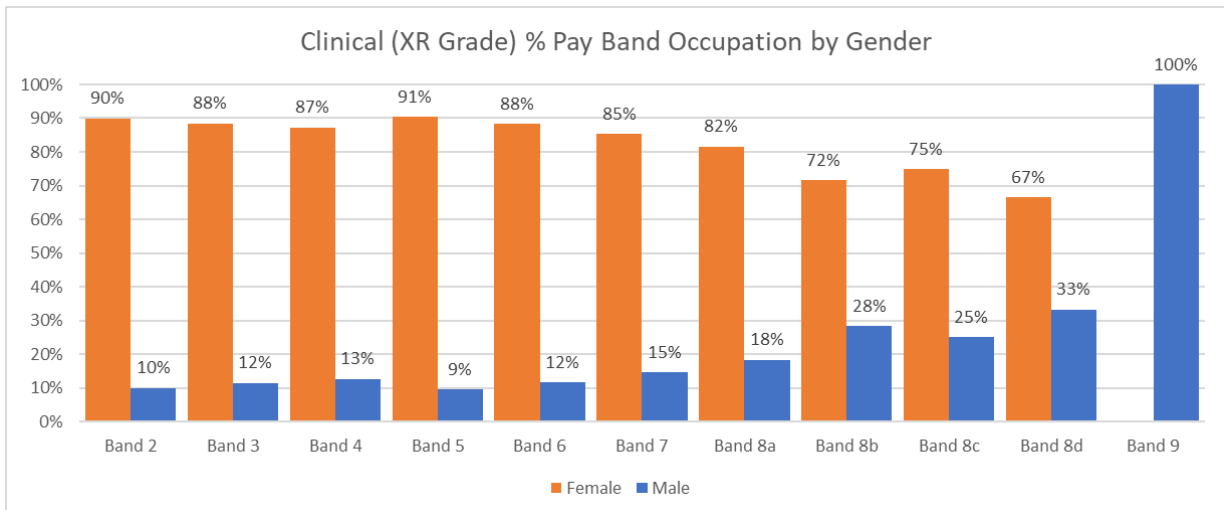
¹ Note: Please be aware when reviewing the Non-Clinical % Pay Band Occupation by Gender, that the Pay Bands at both ends of the AfC scale (Band 1, 8d, and 9) have fewer than 20 occupants.



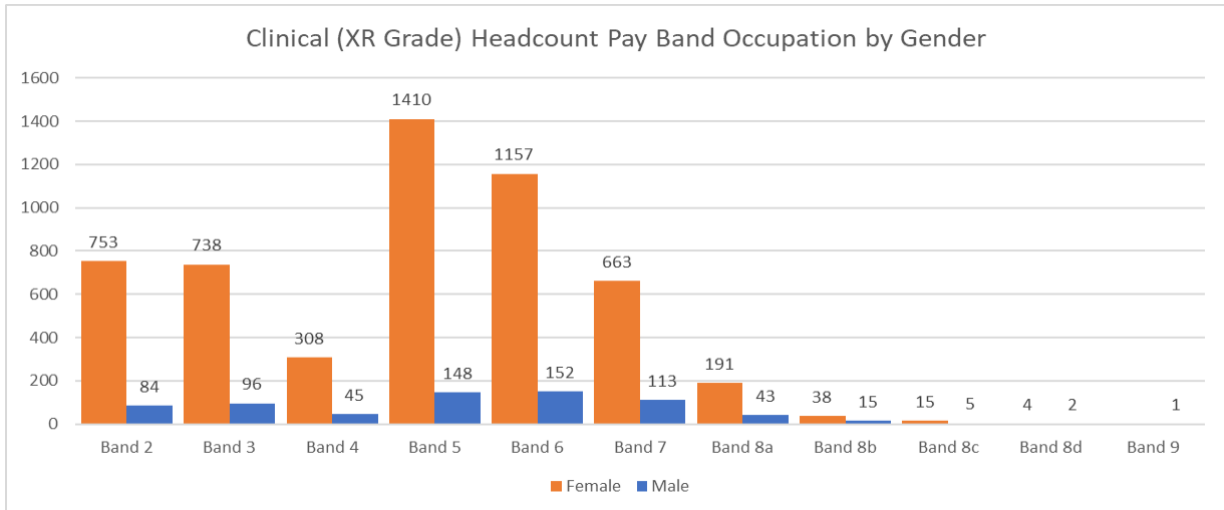
For the 5,981 patient-facing AfC employees (66% of all staff), there is a distinct difference in that it is only at Band 8a where a proportional representation of the gender split can be seen. In Bands 2 to 7 there is under-representation of male employees occupying these Bands, and in Bands 8b to 9, there is over-representation against the Trust's overall gender split.

In contrast to that of the non-patient-facing Banding splits, for patient-facing employees it is evident that as the value of the pay bands increase, so does the proportion of male employees occupying them.

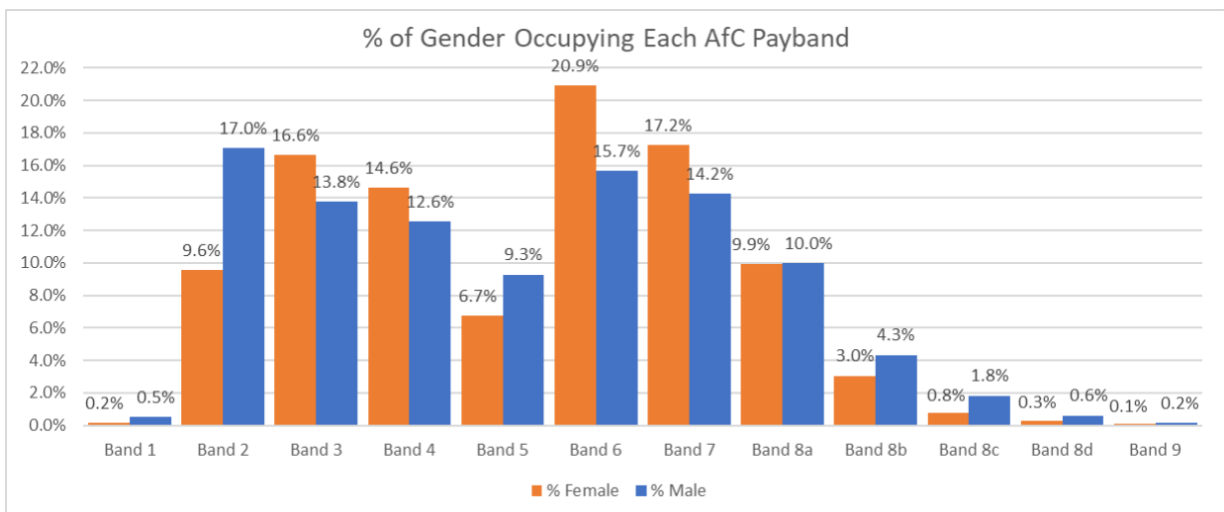
The following charts show the percentage occupancy gender splits for each Band for patient-facing employees, and the total headcounts in each Band by gender. ²



² Note: There are no Band 1 patient-facing employees



The below chart details the percentage of both male and female employees across all AfC Pay Bands, inclusive of both patient-facing, and non-patient-facing staff. When comparing female to male occupancy of each of the AfC Pay Bands, female employees are better represented than male employees in Bands 3, 4, 6 and 7, with male employees being better represented than female employees in Bands 1, 2, 5 8a, 8b, 8c, 8d and 9.



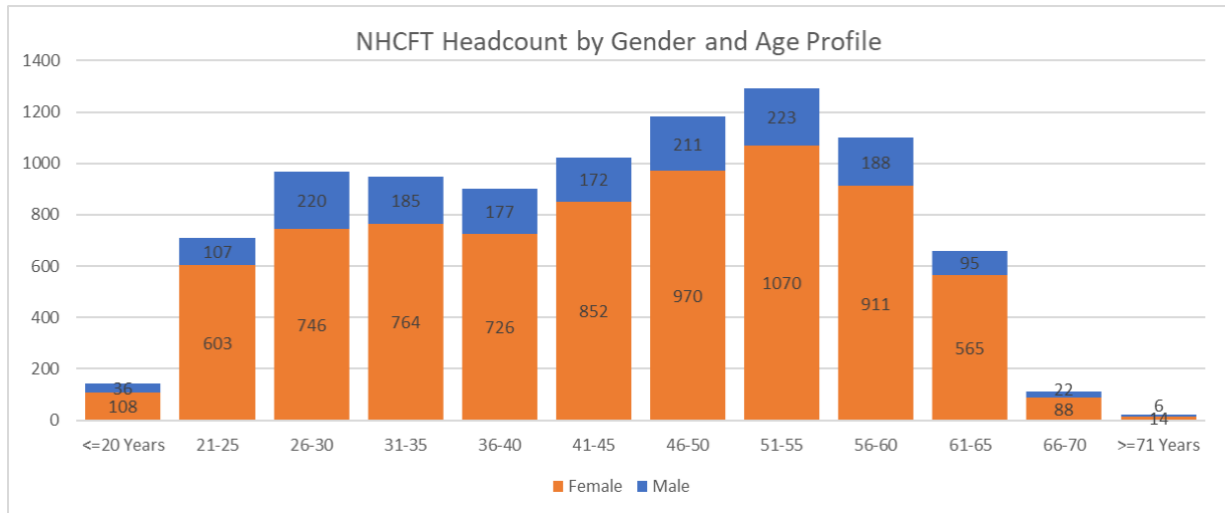
2.6 Equivalent Salary Comparisons

When calculated using the values of the snapshot period March 21 (inclusive of all applicable pay elements), the gross annual average salary for all employees is £32,844.93. The average male salary is £39,812.51, and the average female salary is £31,302.42, a difference of £8,510.09.

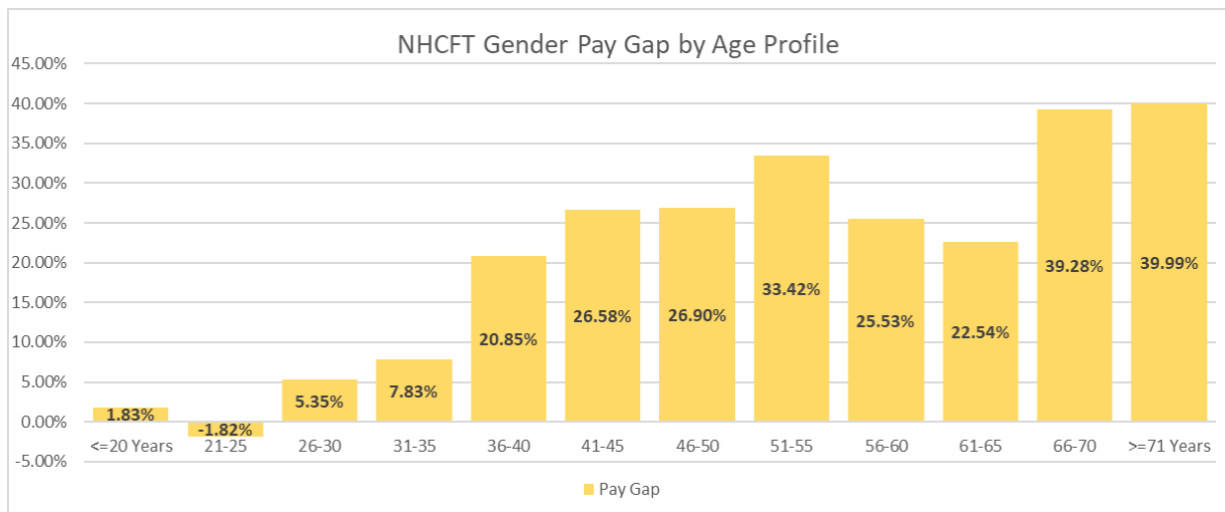
When comparing these values to 2020, this equates to an increase for female employees of £1,424.46 (up 4.77% from £29,877.96), compared to an increase for male employees of £1,967.53 (up 5.2% from £37,844.98).

2.7 Gender Pay Gap and Age

The Gender Pay Gap has been calculated for each of the age profile groupings accounting for all employees across the Trust. The below chart details the headcounts by gender of each age profile group.



Across all of the age profile groupings, the headcount is greatest for both male and female employees in the 51-55 group; when considering the Gender Pay Gap by age profile, for the groupings with overall headcounts in excess of 150 staff (ages 21 – 65), this is the grouping reporting the largest Gender Pay Gap. The below chart details the Gender Pay Gap for each of the age profile groupings.



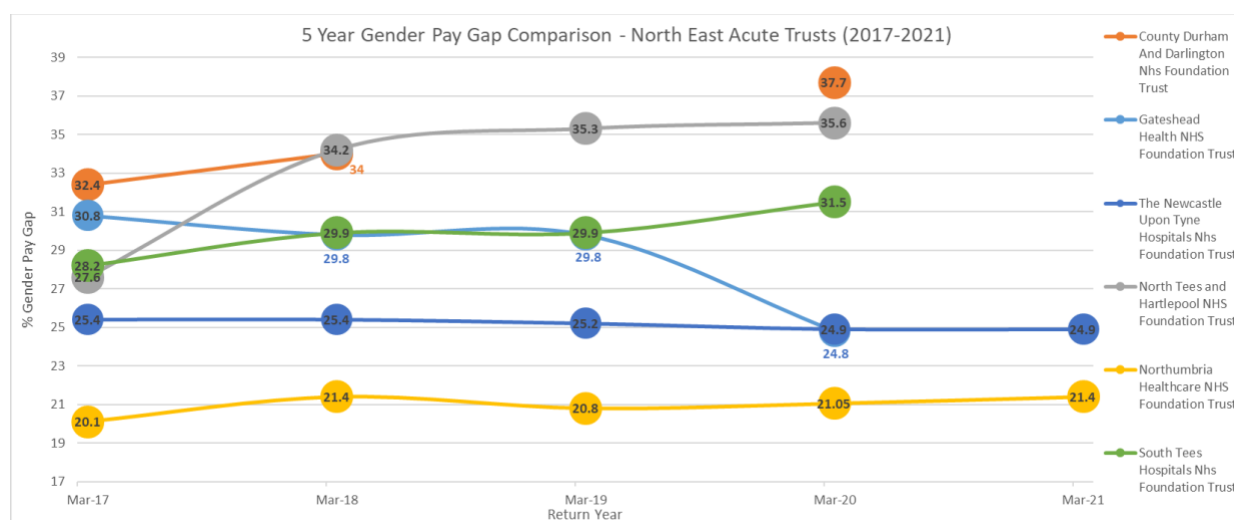
There is a negative Gender Pay Gap only amongst employees aged 21-25, for all other age profile groupings following, the pay gap increases with each successive age group until the 56-60 grouping. These findings are consistent with that of a report published by the Institute of Fiscal Studies (IFS)³ which shows that the pay gap is smaller when comparing young females – before they become mothers – with their male counterparts. This gap widens gradually, but significantly from the late 20s and early 30s as the wages of male employees tend to continue growing rapidly at this point in the life cycle, while female employee’s wages plateau. The arrival of children accounts for the

³ <https://ifs.org.uk/uploads/publications/bns/bn186.pdf>

gradual widening of the Gender Pay Gap with age, suggesting that it may be related to the accumulation of labour market experience.

2.8 Benchmarking

For the first time since Gender Pay Gap reporting was introduced, a comparison of NHCFT and similarly sized and structured regional NHS Organisations has been completed. The chart below details the GPG values for the previous 5 years (where returned) for NHCFT and five other local Trusts (providing this for all local Trusts is not achievable owing to Organisational mergers). Northumbria has consistently returned the lowest GPG for the Trusts compared.



3.0 Bonus Pay Gap

NHCFT's bonus pay gap (calculated using all bonus payments made in the 12 months to 31st March 2021) is **87.27%** - an increase from **48.18%** in 2020. This includes bonuses (Commercial Team), discretionary points and Clinical Excellence Awards. The below table details the values for both GPG calculations.

Gender	Mean Pay	Median Pay
Male	£846.92	£73.41
Female	£107.78	£73.41
Difference	£739.14	£0.00
Pay Gap	87.27%	0.00%

In December 2020 a one-off Non-Pensionable £50 'Thank you' Cash Bonus which equated to a gross Pay Value of £73.41 was paid to all employees – this has brought the median Bonus Pay Gap to 0% for 2020 and influenced the increase in the median Bonus Pay Gap.

When this Cash Bonus is excluded, both male and female employees were in receipt of fewer Bonus Payments in 2021 compared to 2020; male employees received 88 in 2021, compared to 119 in 2020, with female employees receiving 34 in 2021 compared to 54 in 2020. Of all relevant employees these values equate to 5.36% of male employees receiving Bonus Payments (6.80% in 2020) and 0.46% of female employees (0.69% in 2020).

3.1 Where is the Bonus Gap?

In pre-COVID-19 years the Trust's Medical Consultant workforce are eligible to apply for Clinical Excellence Awards (CEAs) (eligibility criteria apply), however in light of pressures during 2021, it was agreed that the confirmed investment ratio monies would be split equally between all eligible employees.

This resulted in 35 female Medical Consultants being paid CEAs at an average value of £516; 93 male consultants were paid CEAs in 2021, at an average value of £1,043.

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.

4.0 NHCT's Other Pay Gaps⁴

The Trust's Sexuality Pay Gap sits at 3.7%.

The 2020 figure was 5.7%. NHCFT's headcount of employees identifying as LGB⁵ is 2.75%, up from 2.4% in 2020. The ONS figures for 2019⁶ estimate that 2.7% of the UK population aged 16 years and over identify as LGB.

The Trust's Ethnicity Pay Gap is -32.91%.

The 2020 figure was -31.84%. This pay gap is influenced by the Trust's Medical Staff; when Medical Consultants are excluded this gap falls to -17.51%, and when all Medical and Dental Staff are excluded the gap falls to -12.96%. For AfC staff only, this figure is -12.32%.

The Trust's Disability Pay Gap is 11.14%.

The 2020 figure was 12.01%. Of those employees who have disclosed their disability status, 3.55% have a disability. 19% of adults of working age nationally across the UK have a disability (DWP Family Resources Survey 18/19)⁷

For the upcoming Gender Pay Gap Report (snapshot date 31st March 2022), further review is planned to better understand in which departments, services, and job roles the Gender Pay Gap is most apparent. This will be used to inform action plans and initiatives for the coming years.

⁴ Each of the pay gaps detailed has been calculated only for those employees who have opted to specify each of the respective characteristics – those who have not specified or who have declined to specify have been excluded.

⁵ ESR does not yet have functionality to record employees who identify as Transgender.

⁶ <https://www.ons.gov.uk/peoplepopulationandcommunity/culturalidentity/sexuality/bulletins/sexualidentityuk/2019>

⁷ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/874507/family-resources-survey-2018-19.pdf

5.0 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:

- For the upcoming Gender Pay Gap Report (snapshot date 31st March 2022), further review is planned to better understand in which departments, services, and job roles the Gender Pay Gap is most apparent. This will be used to inform action plans and initiatives for the coming years.
- Promote coaching for women in the workplace, utilising International Women's Day on March 8th 2022 as the springboard.
- To analyse NHS Staff Survey data, particularly focussing on the experience of women.
- Encourage senior leaders to role model working flexibly and to champion flexible working.
- 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.

Keri Simm
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10th February 2022

Laura Stainsby
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