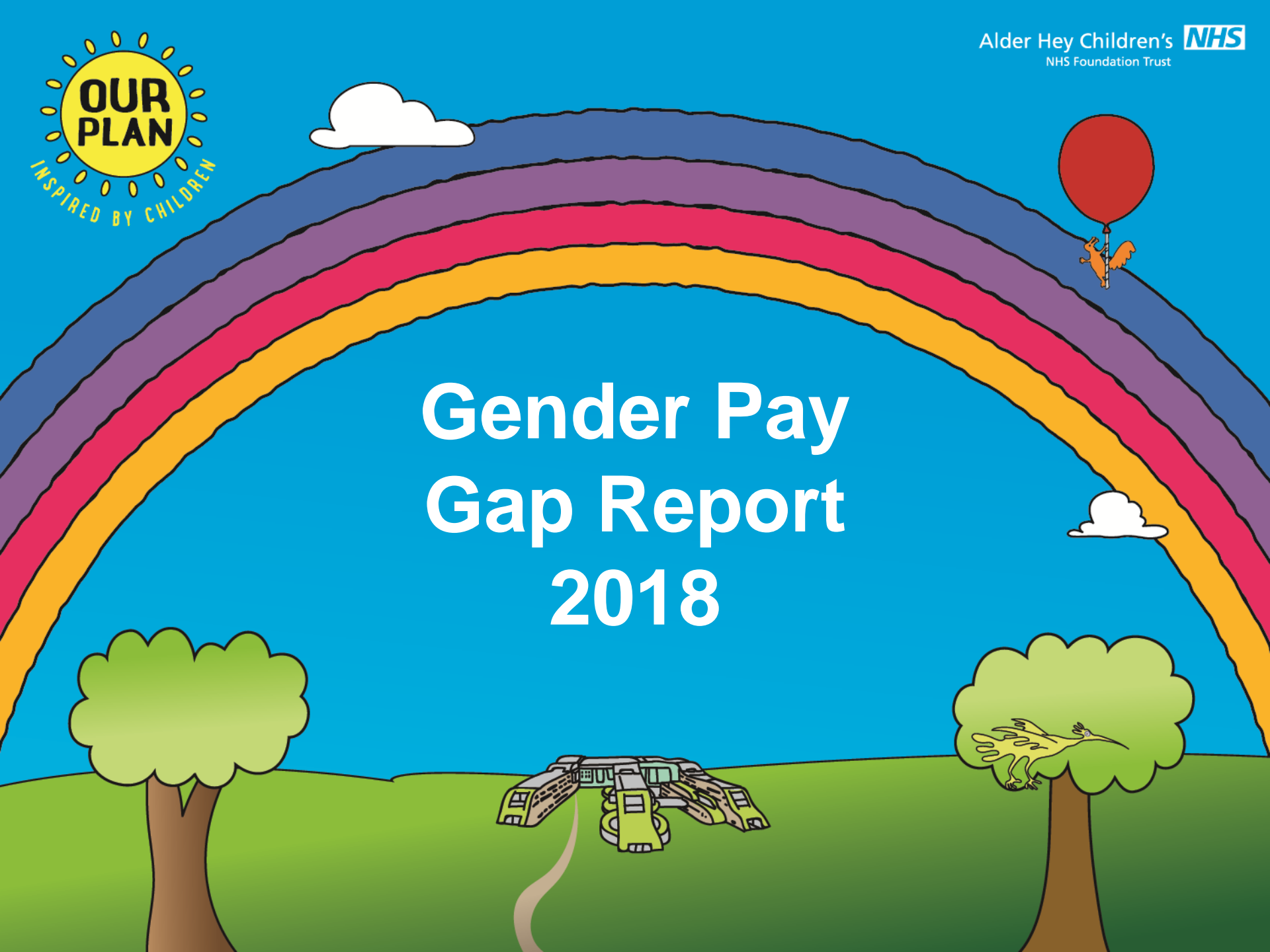




# Gender Pay Gap Report 2018





## INTRODUCTION

This is the second Trust Gender Pay Gap report produced to meet the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 which came into force on the 31<sup>st</sup> March 2017.

Gender Pay Gap legislation requires all employers of 250 or more employees to publish their gender pay gap as at 31st March 2018. Alder Hey Children's NHS Foundation Trust employs over 3,000 staff in a range of clinical and non-clinical roles.

This report includes the statutory requirements of the Gender Pay Gap legislation but also provides further context to help understand and contextualise the data. It is important to recognise that the gender pay gap differs to equal pay. Equal pay is in relation to pay differences between men and women who carry out the same job for different pay, which is unlawful. The gender pay gap shows the difference in average pay of all men and the average pay of all women employed by the Trust. It is therefore possible to have genuine pay equality but still have a gender pay gap.

Alder Hey Children's NHS Foundation Trust supports the fair treatment and reward of all staff irrespective of gender and we are committed to creating a culture that is transparent, diverse and inclusive. The Trust has historically annually reported gender related data of its workforce and published this on its website.

The Trust uses the national job evaluation framework, Agenda for Change, for most levels of staff (except medical) to determine appropriate pay bandings; this provides a clear process of paying employees equally for the same or equivalent work. The Electronic Record System (ESR) has been used to generate the information. In common with most healthcare organisations, women make up the majority of the Trust workforce, with 83% female and 17% male employees as reported in 2017.

# Timescales

- The figures must be calculated using a specific reference date – ‘the snapshot date’. The snapshot date for public sector organisations is 31 March 2018. The information will demonstrate the pay gap between male and female employees as at 31 March in the previous year. For example, 31 March 2018 data must be published by 30 March 2019 and on an annual basis thereafter.

## Mandatory Calculations

- The legislation requires the Trust to publish six calculations, viewable on the national government website, for the overall workforce:

### Salary:

- the mean (average) pay gap
- the median pay gap
- the proportion of male and female staff in each salary quartile band

### Bonus:

- the mean bonus pay gap
- the median bonus pay gap
- the proportion of male and female employees receiving a bonus payment

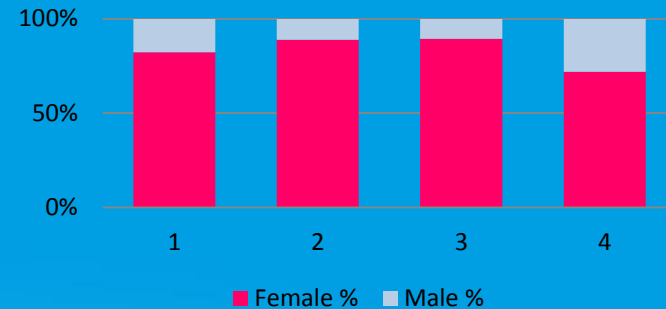


# Gender Pay Gap Summary

## Salary Information

	2016/17	2017/18
Average Pay Gap	33.17%	29.53%
Median Pay Gap	12.38%	12.17%

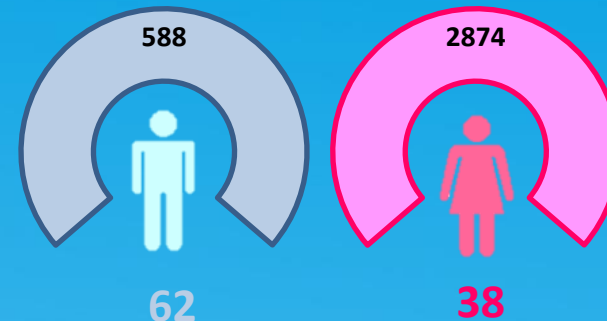
## Proportion of Men & Women in Each Salary Quartile Band



## Bonus Information

	2016/17	2017/18
Average Bonus Pay Gap	36.78%	37.24%
Median Bonus Pay Gap	49.99%	28.14%

## Total Staff numbers vs Total Staff Paid Bonus\*



\* Only a small proportion of staff are eligible



# Gender Pay Gap – Mean and Median

## Mean Gender Pay Gap

The **mean** pay gap is the difference between the average hourly earnings of men and women.

The data tells us that, on average, female employees earn 29.5% less than male employees. This has improved since last year by 3.5%.

## Median Gender Pay Gap

The **median** gender pay gap is the difference between the midpoints in the ranges of hourly earnings of men and women. It takes all salaries in the sample, lines them up in order from lowest to highest, and picks the middle-most salary.

The median data tells us that female employees continue to earn 12% less than male staff. (The basic pay data includes Clinical Excellence Awards payments that are paid to eligible medical staff)

The mean gender pay gap for the whole of the Public Sector economy (according to the October 2017 Office for National Statistics (ONS) Annual Survey of Hours and Earnings (ASHE) figures) is 17.5%. At 30% the Trust's mean gender pay gap is therefore above that of the wider public sector. This is reflective of the pattern from the wider UK healthcare economy; traditionally the NHS has had a higher proportion of females in the workforce which tend to be in the lower bandings, and a predominantly male workforce in the higher banded Medical & Dental professions, although at Alder Hey this is a section of the workforce with a higher proportion of females this year with 49% males (53% last year) compared to 51% females (47% last year).

	2016/17	2017/18
Average	33.17%	29.53%
Median	12.38%	12.17%



**Difference in hourly rate in favour of males:**

**+£6.90 Avg. Hourly Pay**

**+£2.04 Median Hourly Pay**



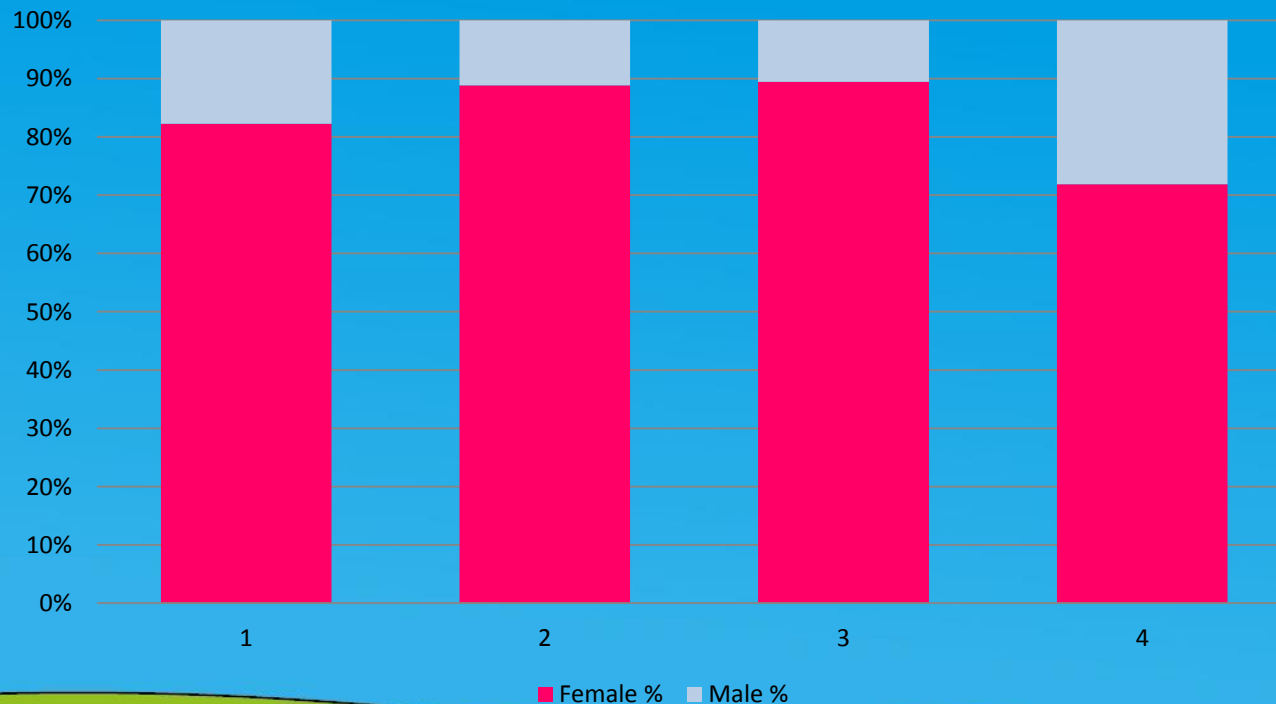
# Gender Pay Gap – salary quartiles

## Proportion of Men and Women in each Salary Quartile Band

To understand how the grade balance impacts pay, the hourly pay of all staff has been arranged in order then divided into four equal parts. The chart below shows the proportion of males and females in each pay quartile; the lower quartile includes the lowest paid staff per hour and the upper quartile includes the highest paid staff per hour.

There are a higher percentage of males in the upper pay quartile compared to the percentage in each of the lower pay quartiles.

## Proportion of Men & Women in Each Salary Quartile Band



# Gender Pay Gap Bonus

**Bonus Pay**, whilst also forming part of basic pay for the purposes of calculating the mean and median average gender pay gap, is only paid to eligible consultant medical staff in the form of Clinical Excellence Awards. These awards recognise and reward individuals who demonstrate achievements in developing and delivering high quality patient care over and above the standard expected of their role, with a commitment to the continuous improvement of the NHS. The CEA's are administered within the Trust on an annual basis. In 2018, this data also includes a one-off discretionary ad-hoc payment to a small number of Executives linked to additional workload and responsibility for a 6 month period.

## The Mean Bonus Gender Pay Gap

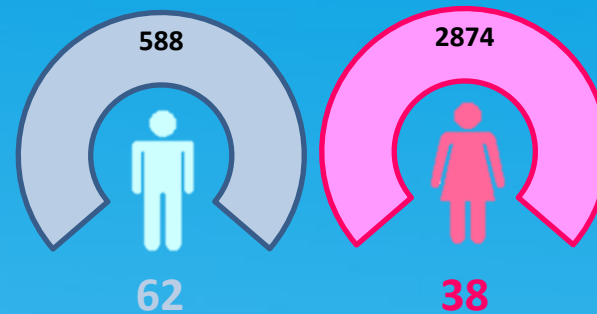
The data tells us that on average bonus pay, female employees earn 37% less than male employees.

## The Median Bonus Gender Pay Gap

The data tells us that on median bonus pay, female employees earn 28% less than male staff, this has significantly decreased from last year when this figure was 50%.

	2016/17	2017/18
Ave	36.78%	37.24%
Median	49.99%	28.14%

## Total Staff numbers vs Total Staff Paid Bonus



# Gender Pay Gap Bonus (Medical & Dental staff)

**Bonus Pay**, whilst also forming part of basic pay for the purposes of calculating the mean and median average gender pay gap, is only paid to eligible consultant medical staff in the form of Clinical Excellence Awards. These awards recognise and reward individuals who demonstrate achievements in developing and delivering high quality patient care over and above the standard expected of their role, with a commitment to the continuous improvement of the NHS. The CEA's are administered within the Trust on an annual basis.

## The Mean Bonus Gender Pay Gap

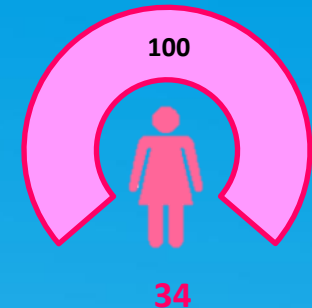
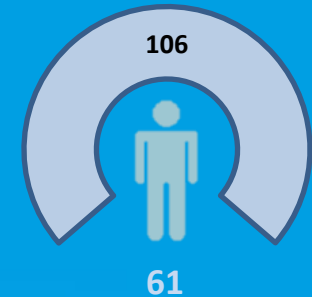
The data tells us that on average bonus pay, female employees earn 32% less than male employees.

## The Median Bonus Gender Pay Gap

The data tells us that on median bonus pay, female employees earn the same as male staff, this has significantly decreased from last year when this figure was 50%.

	2016/17	2017/18
Average	36.78%	32.32%
Median	49.99%	0.00%

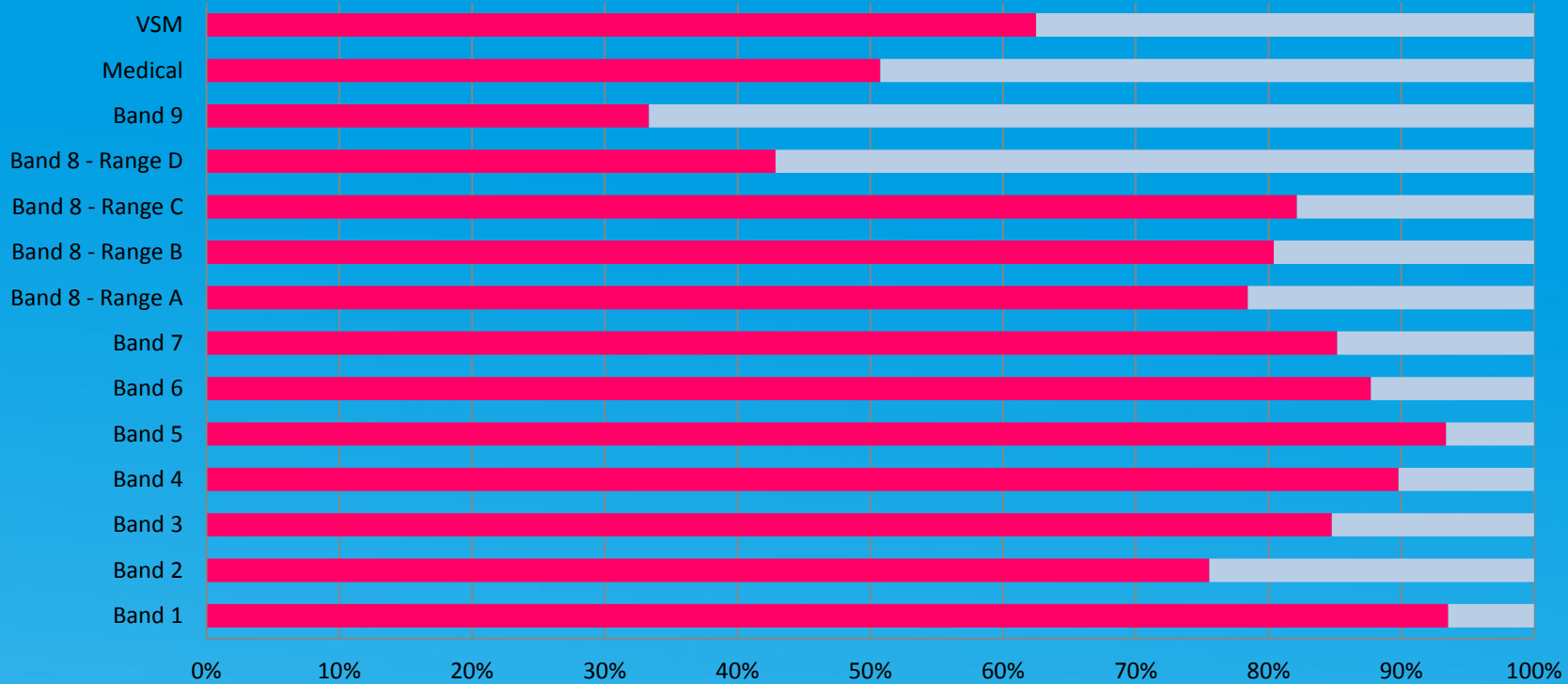
## Total Eligible Medical Staff vs Total Medical Staff Paid Bonus





# Understanding our Results

Alder Hey staff are employed on a number of different national contractual terms and conditions; Agenda for Change Bands 1-9, Medical and Dental, and Very Senior Managers (VSM). The total gender split across the Trust is 83% female, 17% male, and the chart below shows the gender differences between grades and staff groups, with the biggest variation to this being within AfC Band 8d and 9, and Medical staff.



	Band 1	Band 2	Band 3	Band 4	Band 5	Band 6	Band 7	Band 8 - Range A	Band 8 - Range B	Band 8 - Range C	Band 8 - Range D	Band 9	Medical	VSM
Female	93.53%	75.54%	84.76%	89.79%	93.38%	87.70%	85.18%	78.44%	80.39%	82.14%	42.86%	33.33%	50.76%	62.50%
Male	6.47%	24.46%	15.24%	10.21%	6.63%	12.30%	14.82%	21.56%	19.61%	17.86%	57.14%	66.67%	49.24%	37.50%



# Understanding our Results

## AfC Breakdown

The majority of our employees are on national Agenda for Change Terms and Conditions. An analysis of salary within AfC staff only reveals that there is no mean pay gender gap, and that there is actually a small median gender pay gap for males of 5.61%, an improvement from 2017 data.



**Average Pay Males paid more:**

**+£0.13 Avg. Hourly Pay**

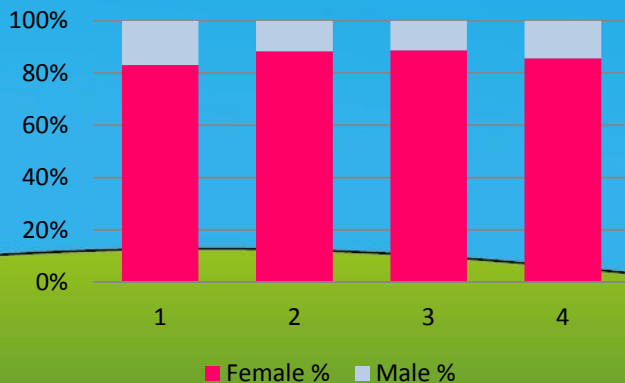
**Median Pay Females paid more:**

**-£0.77 Median Hourly Pay**

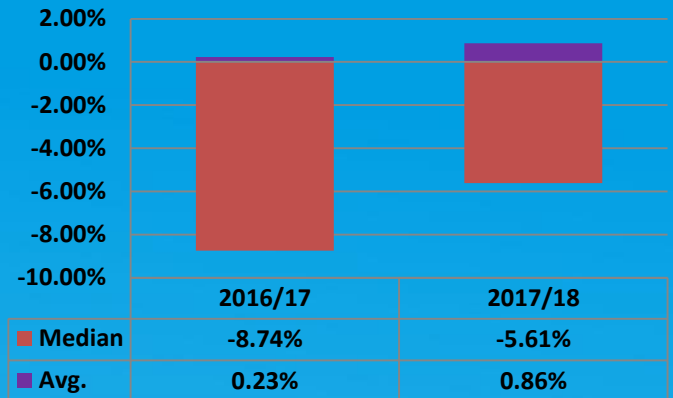


The majority of our employees are on national Agenda for Change Terms and Conditions. An analysis of salary within AfC staff only, above, reveals that there is no mean pay gender gap, and that there is actually a small median gender pay gap for males of 5.61%.

### Proportion of Men & Women in Each Salary Quartile Band



### % Pay Gap



# Understanding our Results

## Medical & Dental Breakdown

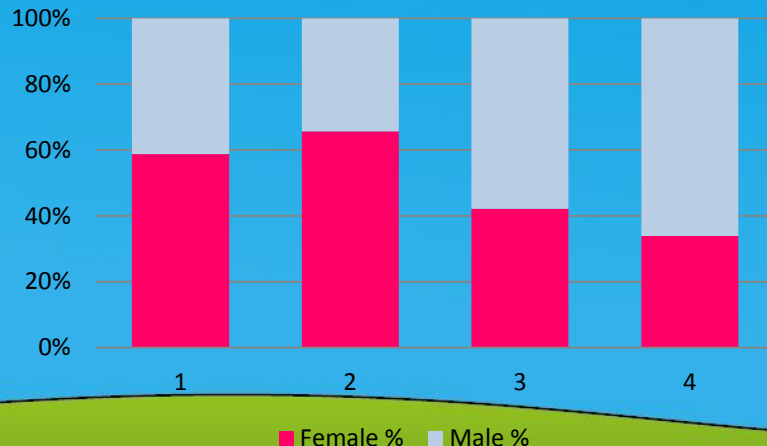
Whilst there is a more even gender split within this staff group, 49% males (last year 53%) to 51% females (last year 47%), there remains a mean gender pay gap of 12.90%, and a median gap of 8.59% although these figures suggest an improvement from last year's data. We do know that, at Alder Hey, more male medical staff have a longer length of service than female medical staff, which impacts upon salary.



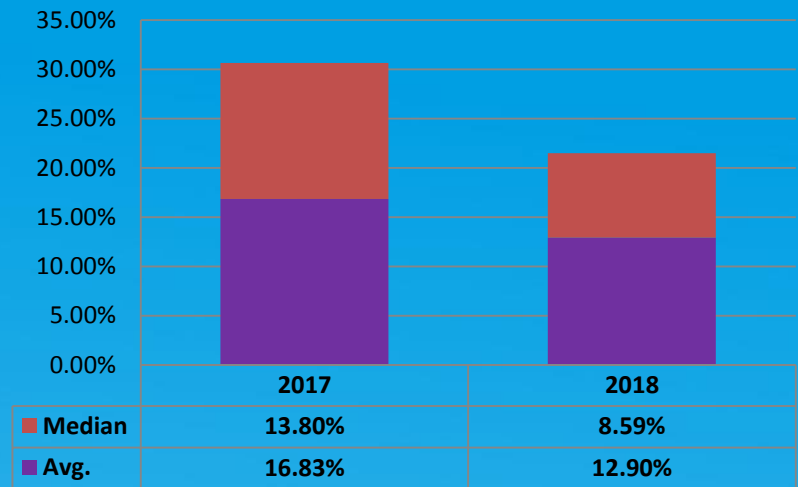
**Males paid more:**  
**+£5.93 Avg. Hourly Pay**  
**+£3.86 Median Hourly Pay**



**Proportion of Men & Women in Each Salary Quartile Band**



**% Pay Gap**



# Conclusion

The Trust has calculated the gender pay gap data in line with the government's gender pay gap reporting regulations ahead of submission of 30th March 2019. The mean gender pay gap is 30%, and the median is 12%.

Although not mandatory, the Trust has produced a narrative that explains the calculations and provides an organisational context.

The reasons for a gender pay gap are multi-factorial; terms and conditions, length of service, gender mix, pension, flexible working arrangements and salary sacrifice commitments can all have an impact upon the overall gender pay gap results.

We recognised that a key reason for the gender pay gap in 2017 was that fewer female medical staff than male held Clinical Excellence Awards and the levels of CEA's that female medics held were, on average, lower in monetary value (this is often linked to length of service). In response, during 2018 we undertook a range of actions, including workshops and additional support to encourage more female and part time female medical staff to apply for an Award.



# Recommendations

The Trust Board have approved the report in readiness for publication on the Trust and government website by the deadline of 30<sup>th</sup> March 2019.

The Trust is committed to ensuring an equitable workforce and steps taken to reduce gender pay gap will be incorporated into Trust Workforce Equality Objectives and monitored by the Workforce and Organisational Development Committee on a quarterly basis.

The objectives for 2019 will be:

- To continue to support all female, including part-time female medical staff, to apply for Clinical Excellence Awards by:
  - Understanding why fewer female and part time female medical staff apply and to take steps to address this
  - Improve the support, advice and guidance provided to female and part-time female medical and dental staff in relation to applications for Clinical Excellence Awards
- 2. Undertake a piece of work to understand why there are more males than females in the upper quartile pay range, in particular within Agenda for Change and VSM pay, and to take steps to address this

