

GENDER PAY REPORT 2022/23

EXECUTIVE SUMMARY

Gender pay reporting is about showing the difference in average pay and bonus payments between male and female staff. This report shows the Trust's position in the pay period up to 31 March 2022. The report has been produced prior to the reporting deadline to ensure the Trust can be responsive to the challenges.

- The mean gender pay gap has decreased by 2.53 %. The median gender pay gap has decreased by 2.35%.
- The mean bonus gap has increased by 10.74% and the median bonus pay gap has decreased by 75.9% to zero. The median bonus gap has been untypically affected following the provision of the local covid 'thank you' bonus received by all staff (excluding the Board) in December 2021. If the 'thank you' bonus is excluded the mean would be 77.24% and the median 90.78%

Mean values are more sensitive than median values to outliers (i.e., abnormally high, or low values).

Where staff are in receipt of a bonus payment on the relevant date these payments are also factored into the calculation of hourly rates of pay. Clinical Excellence Award (CEA) payments impact the gender pay gap and the gender bonus gap.

Clinical Excellence Awards

A revised Local Clinical Excellence Awards Scheme (LCEAs) Scheme was implemented covering the period 2018-2020. It underpins the Trust's ambition to be 'outstanding' and to take positive action to ensure the opportunities for recognition and reward are open to all.

- 676 consultants were eligible to apply, and 264 applications were received (39.05%). This compares to 34.65% of eligible consultants applying in the previous round.
- In this round 38.64% of applicants were female (36.04% of eligible staff were female) against the previous round where 32.81% of applicants were female (28.64% of eligible staff were female)
- For information, CEAs, or distinction awards cease to be payable when staff retire and return to work and are not reinstated after retirement
- National awards are awarded for 5 years before they are subject to reassessment and a demonstration of ongoing activity is required to maintain the awards

- Outcomes from 2018 onwards (awarded 2022) have shown a positive position regarding gender and ethnicity

Gender Pay Gap

- The mean hourly pay gap has reduced by 2.53%
- The median hourly pay rate gap has reduced by 2.35%
- 21.94% (1,735) of all staff in the lower and lower middle quartiles are male. This is an increase from 21.43% last year
- 32% of staff in the upper quartile are male and increase of 1% from last year, with 34.69% (1879) of the male workforce residing in the upper quartile a slight increase from last year where 34.41% (1925) were within the upper quartile.
- Quartiles - the highest variance remains in the upper middle quartile where 16% of staff are male and 84% are female; the lowest remains the upper quartile where 32% of staff are male and 68% are female.

Gender Bonus Gap

- In December 2021, all staff (excluding the Board) received a covid 'thank you' bonus which must be included within the figures as at March 2022. This was a one-off bonus that distorts our reporting as at March 2022
- Work undertaken to refresh the employer-based awards committee (EBAC) to better represent the diversity of the consultant body has achieved a positive result
- For the period between 2018 – 2020 female staff had an equal likelihood of receiving an award and an equality likelihood if not more likely of applying for a LCEA
- 71% (181) of males are in receipt of CEA's compared to only 29% of females.
- Males are significantly more represented in the higher CEA award categories attracting higher award values
- The difference in the mean and median bonus payments remains strongly influenced by the pay and gender make-up of the medical and dental staff group

An action plan to address the pay and bonus gap is in place.

GENDER PAY GAP REPORT 2022/23

1. INTRODUCTION

The Trust has been required to report and publish specific details about its gender pay since 2017.

The report must show:

- mean and median gender pay gaps
- mean and median gender bonus gaps
- proportion of males and females who received bonus
- proportion of males and females in each pay quartile

The gender pay gap measures the difference between the pay rates of all male and female staff across the Trust irrespective of their role and seniority. It should not be confused with equal pay where males and females performing similar roles or work of equal value must be paid equally. Under the Equality Act 2010 it is unlawful to pay people unequally because they are male or female.

The Trust is committed to ensuring our workforce is representative of the community it serves. We aim to attract and retain talented staff from a wide range of backgrounds and with diverse skills and experience to operate in a workplace which is underpinned by #FlourishAtNewcastleHospitals – our cornerstone programme to enable all staff to liberate their potential. We regularly publish information on the wider diversity of our workforce, including the Trust's Annual Report and Accounts, Public Sector Equality Duty report, Workforce Race Equality Standard report, and Workforce Disability Equality Standard report.

2. OUR COMMITMENT TO EQUALITY, DIVERSITY, AND INCLUSION

Our aim is to be the recognised employer and educator of choice in the Northeast and to enable all staff to liberate their potential. Our organisation supports people from different backgrounds, with different perspectives and different ways of working to succeed and help us provide the best possible service to our patients.

We are committed to advancing equality, recognising diversity, and promoting social inclusion. We recognise our responsibility to provide equal opportunities, eliminate discrimination and foster good relations in our activities as an employer, service provider and partner. The measures we will take are set out in our local People Plan.

Salaries within the Trust for staff employed on Agenda for Change are determined through the NHS Job Evaluation Handbook and the NHS Terms and Conditions of Service Handbook (Agenda for Change). Salaries for Medical and Dental Staff are in accordance with NHS terms and conditions of service for this staff group.

Staff undertaking the same job are paid the same irrespective of gender.

In 2020 the appointments and remuneration committee took positive action to ensure the opportunities for recognition and reward were open to all in relation to Local Clinical

Excellence Awards (LCEA's), this was retrospectively applied to 2018 and we have seen positive results in relation to both gender and ethnicity

Newcastle Hospitals is an equal pay employer.

3. DECLARATION

I confirm this report is accurate to the best of my knowledge and belief. It reflects a snapshot of our organisation on 31 March 2021. We have a number of actions in place which are intended to address our gender pay gap. We will publish our data by 30 March 2023.



Signed:

Name: Dame Jackie Daniel

Designation: Chief Executive

Date: October 2022

4. OUR GENDER PAY GAP DATA

4.1 Gender profile

Profile	Male 2022	Female 2022	Male 2021	Female 2021	Male 2020	Female 2020
All staff	22.59%	77.41%	22%	78%	22%	78%
All staff except M&D	17.96%	73.72%	17%	74%	17%	74%
M&D only	4.63%	3.69%	5.2%	3.9%	5.2%	3.9%

The Trust has a predominantly female workforce.

4.2 Gender pay

Profile	Male 2022	Female 2022	Pay Gap 2022	Male 2021	Female 2021	Pay Gap 2021	Male 2020	Female 2020	Pay Gap 2020
Mean hourly pay rate (all staff)	£22.29	£17.30	22.38%	£21.49	£16.13	24.91%	£20.92	£15.64	25.2%
Median hourly pay rate (all staff)	£16.39	£15.12	1.65%	£15.56	£14.93	4.0%	£15.14	£14.34	5.3%

Male staff are paid more than females although.

- the mean hourly pay gap has reduced by 2.53%
- the median hourly pay rate gap has reduced by 2.35%

The Trust's overall mean gender pay gap is strongly influenced by the pay and gender make-up of the medical and dental staff group. This group is predominantly male and their higher pay relative to other staff increases the level of male average pay compared to females.

Medical and Dental Gender Pay Gap

Profile	Male 2021	Female 2021	Pay Gap 2021	Male 2022	Female 2022	Pay Gap 2022
Mean hourly pay rate	45.0138	39.0771	13%	47.7262	43.0597	10%
Median hourly pay rate	45.3763	42.6258	6%	46.9881	45.6137	3%

Agenda for Change Gender Pay Gap

Profile	Male 2021	Female 2021	Pay Gap 2021	Male 2022	Female 2022	Pay Gap 2022
Mean hourly pay rate	12.4870	15.4643	24%	15.6820	16.0467	-2%
Median hourly pay rate	12.1139	15.1160	25%	13.9549	15.7519	-13%

4.3 Gender bonus pay

The Trust has four payments classed as bonus for the purposes of gender pay reporting:

- a) Clinical excellence awards (CEAs) for medical and dental staff
- b) Excellence awards for senior staff employed on a Trust senior staff contract
- c) Discretionary performance-related pay bonus for executive directors/very senior managers (VSM)
- d) Performance bonus for staff in the pharmacy production unit (PPU)

In December 2021, all staff (excluding the Board) received a covid 'thank you' bonus which is included in the figures as at March 2022. This was a one-off bonus that distorts our reporting.

Profile	Male 2022	Female 2022	Bonus pay gap 2022	Male 2022 No thank you bonus	Female 2022 No thank you bonus	Bonus pay gap 2022 No thank you bonus	Male 2021	Female 2021	Bonus pay gap 2021
Mean bonus pay	£1,007.88	£205.24	79.64%	£11,809.25	£2,687.77	77.24%	£15,075	£4,721	68.9%
Median bonus pay	£147.05	£147.05	0%	£6,032.04	£556.00	90.78%	£8,225	£1,985	75.9%
Proportion of staff in receipt of bonus	92.41%	94.06%		6.8%	2.1%		6.85%	1.13%	

The mean bonus gap has increased, and median gender bonus gap has decreased compared to last year. Notwithstanding the ‘thank-you’ bonus proportionally, significantly more male staff are in receipt of bonus compared to females.

Agenda for Change Bonus Pay Gap

Profile	Male 2021	Female 2021	Bonus Pay Gap 2021	Male 2022	Female 2022	Bonus Pay Gap 2022
Mean hourly bonus pay rate	926.49	877.44	5.29%	159.67	149.88	6.13%
Median hourly pay rate	1,000.00	1,000.00	0.00%	147.05	147.05	0.00%
Proportion of staff in receipt of bonus	1.02%	0.32%		103.77%	106.14%	

Medical and Dental Bonus Pay Gap

Profile	Male 2021	Female 2021	Bonus Pay Gap 2021	Male 2022	Female 2022	Bonus Pay Gap 2022
Mean hourly bonus pay rate	£18,542	£8,797	52.56%	4,547.75	1,360.28	70.09%
Median hourly bonus pay rate	12,063.96	5,692.71	52.81%	147.05	147.05	0.00%
Proportion of staff in receipt of bonus	24.38%	12.97%		138.10%	104.84%	

The mean bonus payments remain strongly influenced by the pay and gender make-up of the medical and dental staff group. This group is predominantly male and their higher bonus payments relative to other staff significantly increases the level of male average bonus pay compared to females. Work has been undertaken to improve this position including:

- actively encouraging female and BME consultant staff to put themselves forward to be members of the EBAC as these groups had long been under-represented
- a refreshed employer-based awards committee (EBAC) to better represent the diversity of the consultant body
- publication of a list of higher award holders to assist potential applicants with application process
- sessions conducted by 10 higher award holders to offer advice and guidance - published list available to be approached by potential LCEA applicants for advice and guidance
- verification of applications within the directorate required prior to submission
- a clear instruction that applicants who are less than full time consideration was to be given to their reduced hours and decisions proportionate to this
- removal of all personal data was removed prior to scoring
- all scores and rankings provided to the EBAC remained anonymised

This year's allocation of CEAs (2018-2020) is included within the calculations:

- 264 applications were received
- there was an increase in the number of applications from eligible female consultants up from 25.4% in the last round, to 34.01% in this round.
- Applications from eligible male consultants remained broadly similar across the rounds with 36.44% and 36.51% respectively
- For 2018;
 - 94.25% of male applicants and 92.13% of female applicants were successful.
 - 90.57% of BME applicants and 93.79% of white applicants were successful.
- For 2019

- 94.57% of male applicants and 92.91% of female applicants were successful.
- 90.91% of BME applicants and 94.38% of white applicants were successful.
- For 2020
 - 94.79% of male applicants and 91.72% of female applicants were successful.
 - 90.16% of BME applicants and 93.75% of white applicants were successful.

The number of CEA applications and awards in respect of female consultants has proportionally increased as outlined see table below:

Round	Relative Likelihood of Application	Likelihood of Award
2016	Males 1.3 times greater likelihood	Males 1.3 times greater likelihood
2017	Males 1.2 times greater likelihood	Males 1.2 times greater likelihood
2018	Equal likelihood	Equal likelihood
2019	Males 0.9 less likely	Equal likelihood
2020	Males 0.9 less likely	Equal likelihood

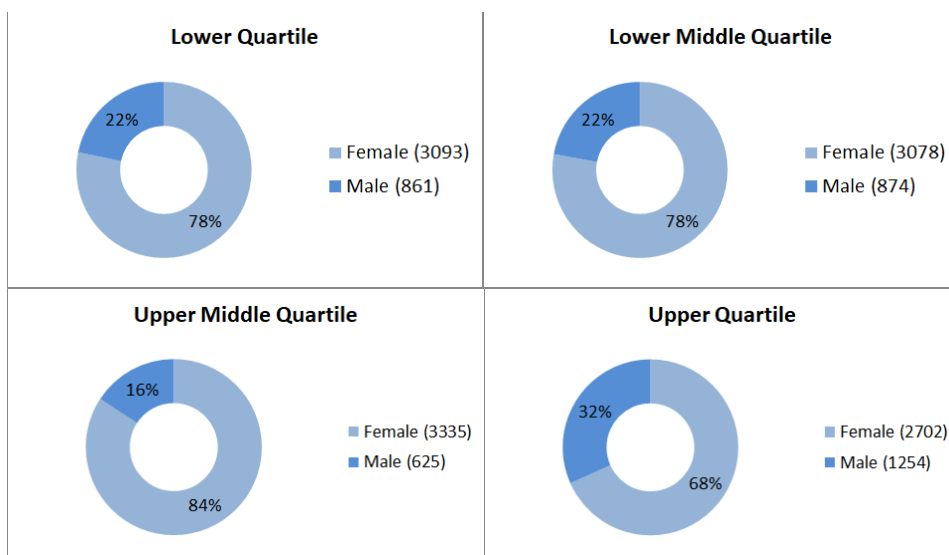
In terms of intersectionality, we have also seen positive results as outlined below;

Round	Relative Likelihood of Application	Likelihood of Award
2016	–BME Males 1 equal likelihood –BME females 1.1 times more likely	–BME Males 0.6 times less likely –BME females 0.6 times less likely
2017	–BME Males 1.2 times more likely –BME Females 1.1 time more likely	–BME Males 0.7 times less likely –BME Females 1.1 time more likely
2018	–BME Males 1.4 times more likely –BME Females 1.1 times more likely	–BME Males 1.0 equal likelihood –BME Females 1.0 equal likelihood
2019	–BME Males 1.3 times more likely –BME Females 1.0 equal likelihood	–BME Males 1.0 equal likelihood –BME Females 1.0 equal likelihood
2020	–BME Males 1.3 times more likely –BME Females 1.0 equal likelihood	–BME Males 1.0 equal likelihood –BME Females 1.0 equal likelihood

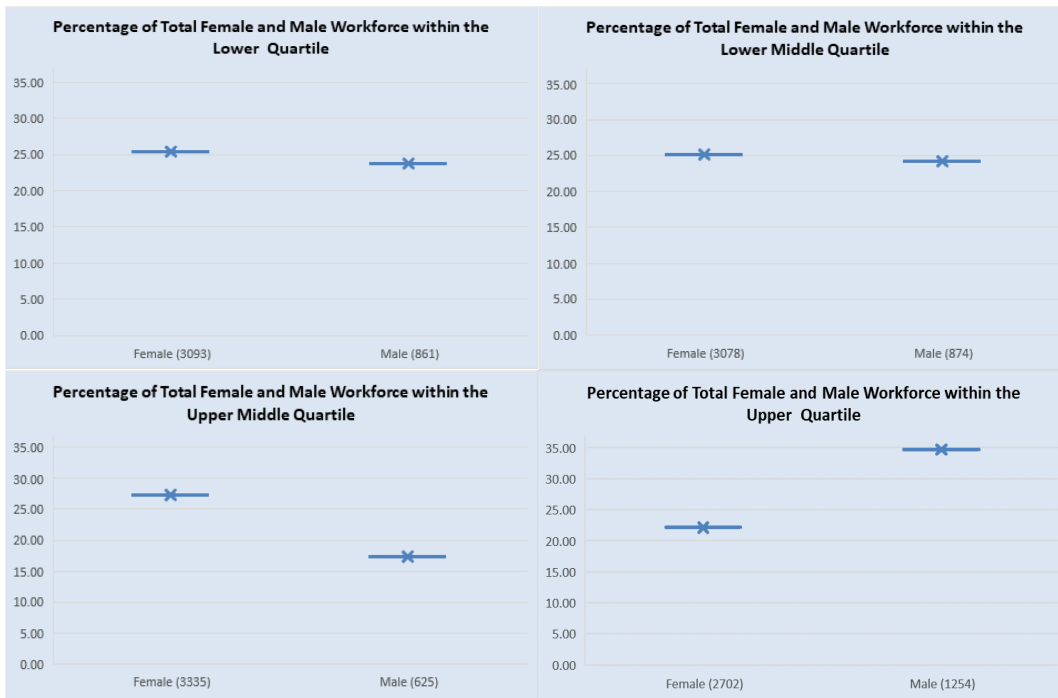
Bonus Type 2022	Female	Male	Female	Male
Cash Bonus	77%	23%	12985	3771
Clinical Ex Award PAY NHS	28	72%	71	183
Discretionary Points PAY NHS	75%	25%	3	1
Clinical Ex Award PAY NHS (including discretionary points)	29%	71%	74	184
Performance Pay Payment	100%	0%	1	0
Long Service Awards 25 years	80%	20%	107	26
Long Service Awards 35 years	72%	28%	31	12
Cash Bonus NP PAY NHS 2021	Female	Male	Female	Male
Pharmacy Production Unit	52%	48%	43	40
Excellence Award	60%	40%	35	23
Discretionary Performance Bonus (Exec/VSM)	25%	75%	1	3

4.4 Pay distribution by quartiles

The data below is achieved by dividing the workforce into four equal parts (quartiles). All staff are ranked from the lowest hourly rate of pay to the highest. The rank order is then divided into four sections with an equal number of staff in each. With a female workforce of 77.15% ideally females should make up 77% per cent of each quartile. Females are under-represented in the upper quartile (68%) and over-represented in the lower, lower middle and upper middle quartiles. This is compounded by the fact that our medical workforce predominantly resides in the upper quartile and there are a higher percentage of males represented in the medical and dental workforce.



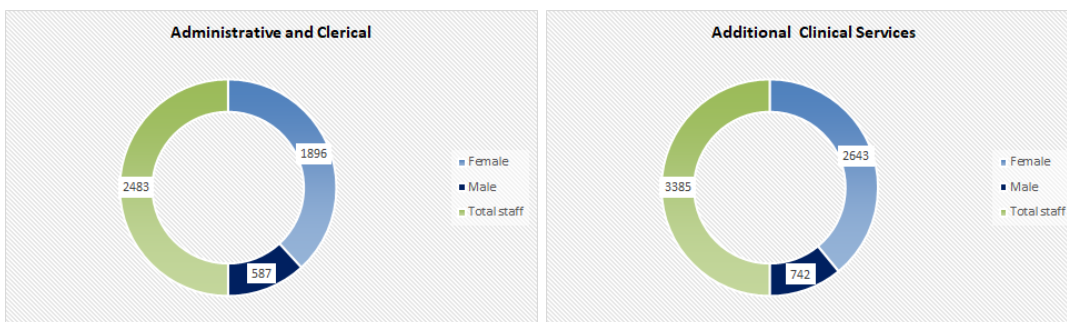
The highest variance remains in the upper middle quartile where 16% of staff are male and 84% are female; the lowest remains the upper quartile where 32% of staff are male and 68% are female.



- 78.05% (6,171) of all staff in the lower and lower middle quartiles are female. This is a positive decrease from 78.6% last year.
- 76.26 (6,037) of all staff in the upper middle and upper pay quartiles are female. This is a positive increase from 75.9% last year.
- 21.94% (1,735) of all staff in the lower and lower middle quartiles are male. This is a negative increase from 21.43% last year.
- 23.73% (1,879) of all staff in the upper middle and upper pay quartiles are male. This is a positive decrease from 24.07% last year.

A key reason for the Trust’s gender pay gap in favour of males is that proportionally more males hold senior positions. 34.70% of the male workforce are in the upper quartile compared to 22.13% of females.

4.5 Gender profile by staff group





The majority of females are nursing, and midwifery (4,737) followed by additional clinical services (2,643) then admin and clerical (1,896). The majority of males are in additional clinical services (742) followed by medical and dental (725) then admin and clerical (587) and estates and ancillary (582). Management staff are generally included in the admin and clerical staff group.

4.6 **Gender profile by pay band/scale as at March 2022**

PayScale	Female (Within pay scale)	Male (Within pay scale)
Band 1	53%	47%
Band 2	57%	43%
Band 3	75%	20%
Band 4	80%	19%
Band 5	81%	14%
Band 6	86%	17%
Band 7	83%	19%
Band 8a	81%	26%
Band 8b	74%	37%
Band 8c	63%	40%
Band 8d	60%	38%
Band 9	63%	0
M&D Consultant	40%	60%
M&D SAS	57%	43%
M&D Trainee	44%	56%

5. **ACTIVITIES THAT SUPPORT CLOSING THE GENDER PAY GAP**

We undertake a range of activity to ensure our systems and processes and systems attract, retain and support people from all backgrounds. This helps contribute to closing the gender pay gap:

5.1 **Clinical excellence awards**

- Appointments and remuneration committee taking positive action to ensure the opportunities for recognition and reward are open to all. This involved actively encouraging female and BME consultant staff to put themselves forward to be members of the EBAC as these groups had long been under-represented
- Refreshed employer-based awards committee (EBAC) to better represent the diversity of the consultant body
- Sessions conducted by 10 higher award holders to offer advice and guidance - published list available to be approached by potential LCEA applicants for advice and guidance
- Verification of applications within the directorate required prior to submission
- A clear instruction that applicants who are less than full time consideration was to be given to their reduced hours and decisions proportionate to this
- All personal data was removed prior to scoring
- All scores and rankings provided to the EBAC remained anonymised
- This has led to positive outcomes for female staff and BME male/female staff as s outlined above

5.2 People Dashboard

- Key to achieving the Trust's ambition of a representative and inclusive workforce at all levels is to have clear sight of accurate and meaningful data to help monitor progress and inform decisions about priorities
- A bespoke resource designed entirely in-house to provide top-level analysis of key performance indicators for equality, diversity and inclusion implemented in January 2022
- Gender is one of five protected characteristics incorporated and areas covered include, representative workforce and leadership, the likelihood of being appointed, career progression and flexible working with an aim of tracking local progress and sharing best practice
- The dashboard covers disparity ratios by gender which identifies the likelihood of career progression

5.3 Flexible Working

- Refreshed policy: introduced right to request flexible working from day one of employment; removed limit on number of requests; includes agile working
- Key principles established to be used at local operational level to enable staff and managers to implement flexible and agile working options
- A working Flexibly Guide has been created for the intranet and a working flexibly triangle Participated in NHS Flex in the last 12 months
- Flexible working sessions in August for managers to support new ways of working and be a safe space to ask questions about how to make flexible working happen for the whole team
- Plans in place to identify how to measure what 'excellence' looks like (to ensure we are able to identify what's changed/improved over time) and refresh general HR advice to support line managers
- Strategic aim to be most flexible employer in NHS peer group

5.4 Recruiting, retaining, and developing a diverse workforce

- Review adverts and job descriptions for 'diversity barriers'
- Promotion of male employment in female orientated roles i.e., nursing
- Actions to improve mixed gender selection panels and positive action on panels for posts at band 6 and above to ensure they are ethnically diverse
- Placement provider for NHS graduate management programme trainees
- Enabled homeworking for staff who can work from home
- Promotion of family friendly policies/special leave and carers provisions
- Implementation of health and carer passports to ease transfer of role across the organisation and the health and care system
- Building our Trust-wide coaching offer and exploring mentoring options
- Delivered specific campaigns to recruit for diversity, such as integrated covid hub northeast (ICHNE)
- Continuing to partner with key external stakeholders to increase diversity (careers service, kickstart, NUFC foundations, refugee organisations) and continuation of the employability programme

5.5 Progression and career paths

- Delivery of systems-wide leadership development programmes ensuring diversity of participants
- Undertake an annual talent round to track progression into and within the Trust. This includes a review of diversity
- Deliver internal talent development programmes across a range of grades and for staff from diverse ethnic backgrounds and staff with a disability
- Offer a range of apprenticeship programmes from entry to degree level of learning and development
- Actively review the diversity of leadership development programmes (applications and participants)
- Continue to work with our staff networks on the design and implementation of specific initiatives

5.6 Performance Management

- Implemented an appraisal policy which includes assessment of performance, behaviours and Equality and Inclusion production of a personal development plan and career conversations
- Embedded a single system and process of performance appraisal, review and moderation for senior staff employed on a Trust senior staff contract

6. NEXT STEPS

We have made progression in a number of areas but recognise there is still more to do. We will endeavour to develop a range of activities over the next 12 months to advance gender pay, these include:

- Providing Directorate level information on; the gender diversity of our workforce, leadership representation, career progressions (disparity ratio's) and flexible working requests/data
- Exploring how we can better support and promote our vacancies in senior positions to women and organisations that support women.
- Explore the likelihood of being appointed to pay bands featured in the quartiles to understand the barriers in more detail
- Exploring how we can better support female talent. For example, encourage the next generation of female leaders by establishing an internal task and finish group/staff network to explore how we can better support women into middle and senior management roles
- Consider a gender staff network
- Effective communication plan to share flexible working key principles to enable staff and managers engage, consider, and implement flexible and agile working options.
- Identity support for line managers to listen to and enable constructive response to requests
- Continue the roll out leadership development programmes throughout the Trust to staff in band 6 and below

- Working with other NHS and partners to learn from best practice and explore opportunities to develop joint activities
- Review our policy and process to ensure there is no gender bias in the starting salaries and remuneration packages of new employees, including very senior staff, and regularly monitor
- We are cognisant of the recommendations of the report 'Mind the gap: the independent review into gender pay gaps in medicine' published in December 2020 and the government's announcement that it will establish an implementation panel to help address the structural barriers outlined

7. CONCLUSION

The gap in our mean and median pay and particularly bonus pay shows there is more work to be done. Whilst we do not consider that we have an equal pay issue, we will continue to take steps to reduce our pay gap and explore best practice.