

Gender Pay Gap Report 2021



An introduction to our Gender Pay Gap Report 2021

Mike Maddick, Director of People & Culture.

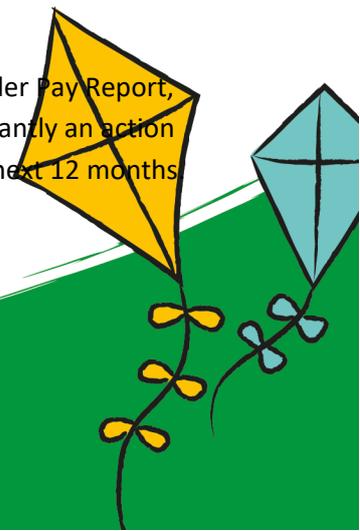
The Children's Trust is focused on delivering an outstanding service and we are always looking to find ways to meet needs that have previously been unmet. We therefore need to continue to attract and retain high calibre staff by ensuring our pay is competitive and sustainable. We also recognise the importance of The Children's Trust being a place where people love to work, hence we continue to offer all our staff the same growth and development opportunities within a positive, open, and inclusive setting. In doing so, we directly and positively impact the lives of the children, young people, and their families.

We are committed to promoting diversity and gender equality. The Gender Pay Gap Report is an essential part of our ongoing pay strategy. Its goal is to create better pay equity through transparency of pay data. It's essential to pay staff fairly to ensure that we continue to attract, motivate, and engage all of our staff, in common pursuit of our charitable objectives.

This is now the fifth year of our Gender Pay Gap Report and the mean and median pay gaps we reported over the last three years remain almost unchanged, with only a slight differential. While we understand why the gap exists, and while we do not currently believe there is an issue with how we recruit and retain men or women, we owe it to all our staff to continue to work to monitor and analyse and take action to improve the gap. Where possible, we would like to close the gap through a refocused action plan providing assurance on equity and transparency in how we recruit, promote, and retain all our staff regardless of gender.

We are also very keen to ensure staff can ask questions and engage in the debate and discussion around gender pay. This year we published our first Equity, Diversity & Inclusion (EDI) strategy. One of the four key strategic goals in our EDI strategy is around increasing our diversity and creating an inclusive culture. We have set several actions, such as specific training for our recruiters and reviewing and developing our communications and job application forms, to achieve this goal. We also have a dedicated EDI working group, called Spark, and an EDI Steering group who will receive regular updates throughout the year on our progress with the gender pay gap and be asked to provide input and challenge as we progress against our action plan. We hope that one of the positive impacts, along with increasing our diversity, will be a reduction in our gender pay gap.

Following the challenging period of the pandemic, we are bringing forward our next Gender Pay Report, to May 2022, to ensure we have an up-to-date picture of the challenges and most importantly an action plan with clear deliverables, against which we can monitor and manage progress for the next 12 months



Our detailed analysis tells us that: on average, men at The Children's Trust, earn 22.4% more than women. At the midpoint of all salaries, men are paid 20.4% more than women. There has not been any significant positive shift from the corresponding 20.4% average and 21.3% midpoint pay gaps from 2020.

We have laid out our more detailed analysis for the changes to our gender pay gaps rates later in the report. At high level, our analysis shows that the main reason for the significant increase in the gender pay gap between 2018 and 2021 is the natural movement of employees leaving and joining the organisation. Overall, the organisation is around 87% female and 13% male, but as our report shows, there are fewer males as a percentage in lower paid roles and more males as a percentage in the higher paid roles.

The movement of men in and out of the organisation over the last 12 months, while small in absolute number terms, has impacted this. As the male workforce is considerably smaller than the female workforce, gaining a small number of highly paid men and losing a small number of less well-paid men, is at the heart of the gender pay gap.

The data presented in this report was extracted from the April 2021 payroll and has been calculated and checked via a third-party service, Cendex, to ensure external scrutiny.

I confirm that the gender pay data reported is accurate, as of 5 April 2021.

Mike Maddick
Director of People & Culture

The gender pay gap

The gender pay gap measures the difference between the average pay of men and women across the organisation – not the pay difference between men and women who do the same jobs. The Children’s Trust uses several external pay scales and benchmarks, such as the NHS Agenda for Change, and Cendex Voluntary Sector Benchmarking to ensure pay is fairly set across the organisation regardless of gender. This report sets out our gender pay gap figures looking at The Children’s Trust as a whole.

Headline findings

At The Children’s Trust:

- The mean gender pay gap is 22.43% - on average, men are paid 22.43% more than women. The ‘mean’ figure is the difference between the average men’s pay per hour and the average women’s pay per hour.
- The median gender pay gap is 20.41% - at the midpoint of all salaries, men are paid 20.41% more than women. The ‘median’ figure is the difference between the midpoints in the ranges of men’s and women’s pay per hour.
- Only one bonus was paid during the reporting period and therefore the proportion of females receiving a bonus payment is 0.17% and the males are 0% in our bonus pay gap report.
- The proportion of males and females in each pay quartile:

Quartile	Males	Females
Upper quartile	20.5%	79.5%
Upper middle quartile	12.7%	87.3%
Lower middle quartile	10.8%	89.2%
Lower quartile	7.9%	92.1%

Mean gender pay gap

The mean gender pay gap in The Children’s Trust is 22.43%; the women’s mean hourly rate (£16.30) is 22.42% (£4.71) lower than men’s (£21.01).

Based on full time employment of 37.5 hours a week, this equates to women being paid £9,185 a year less than men on average.

Median gender pay gap

The median gender pay gap in The Children's Trust is 20.41%; the men's median hourly rate (£17.72) is 20.41% (£3.62) higher than women's (£14.10).

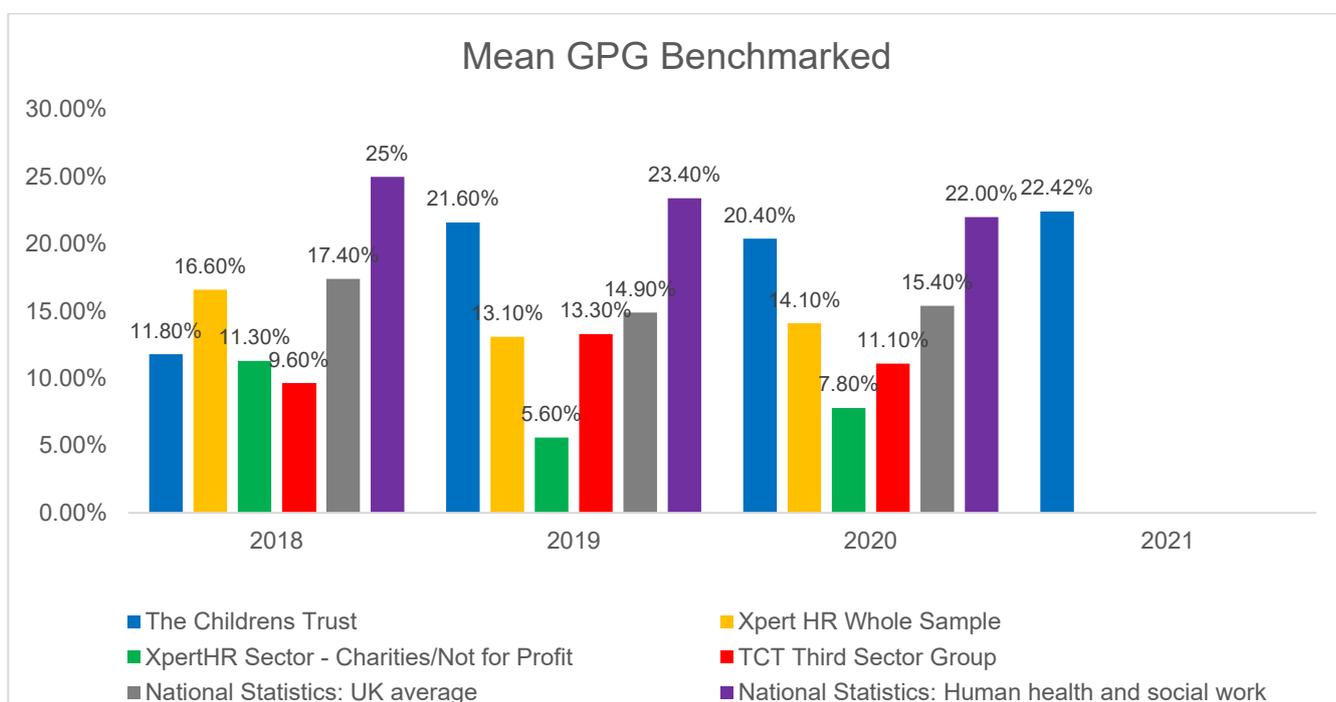
Based on full time employment of 37.5 hours a week, this equates to women at mid-point salary being paid £7,059 a year less than male mid-point salary.

Benchmarking

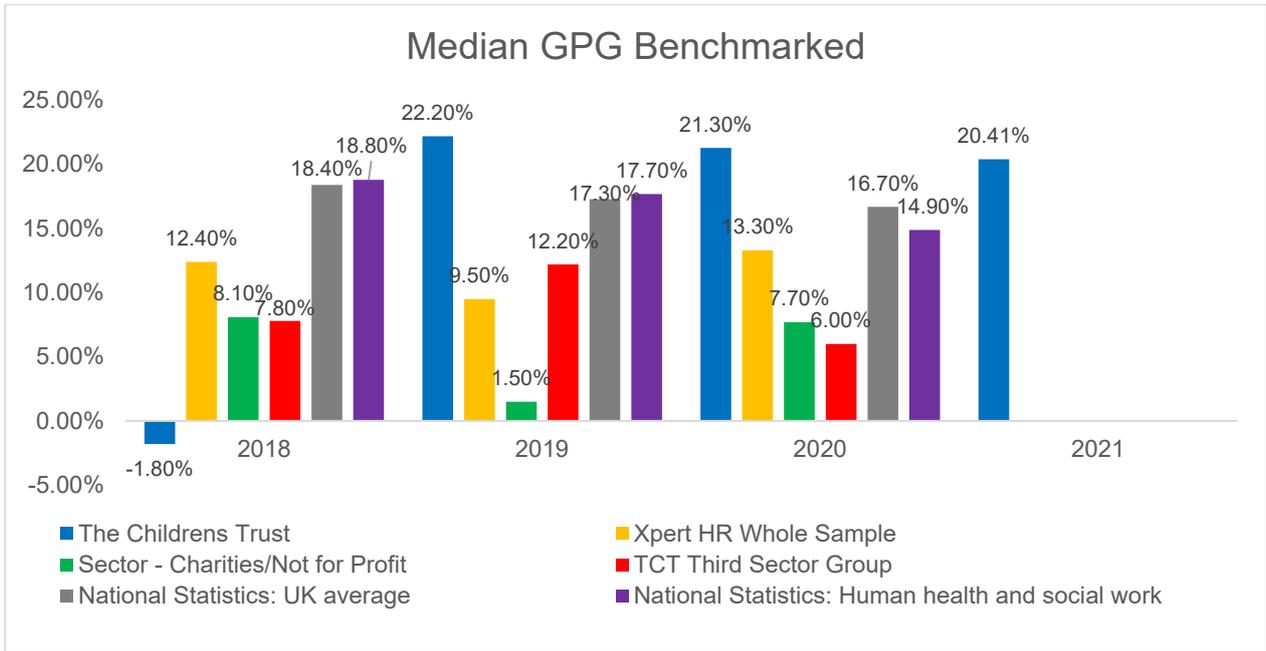
As stated in last year's report we have further explored some relevant benchmarking for comparing our gender pay gap data. At the time of reporting, organisations have not submitted their 2021 data, so we are able to benchmark against 2018, 2019 and 2020 figures.

Our benchmarked groups are

- All organisations that submit data to XpertHR for verification purposes
- The charities/not for profit sector organisations that submit to XpertHR
- The group of third sector organisations against which we also benchmark our employee survey results (where available)
- The UK average as published by the Office of National Statistics
- The Health and Social work average as published by the Office of National Statistics



We recognise that The Children's Trust's mean gender pay gap is above the average organisation in our own sector and has moved move in line with the relevant comparisons in the health and social work industries.

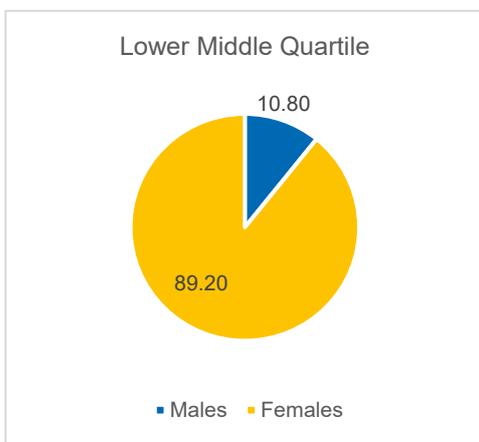
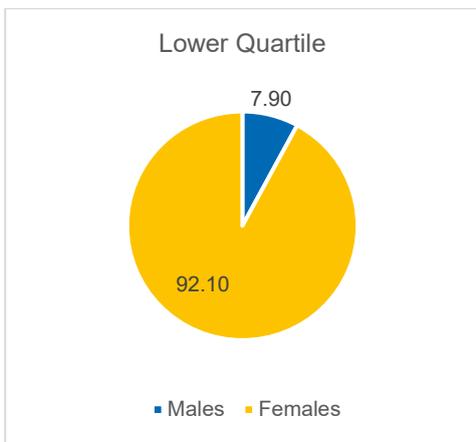


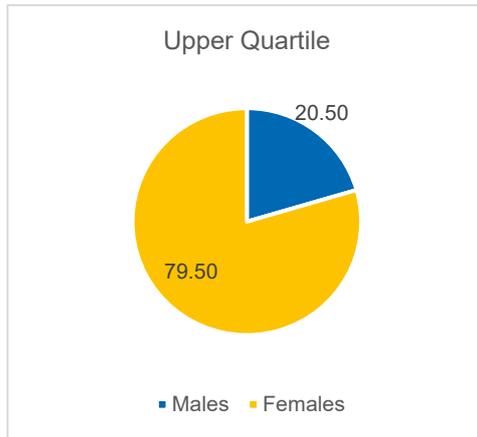
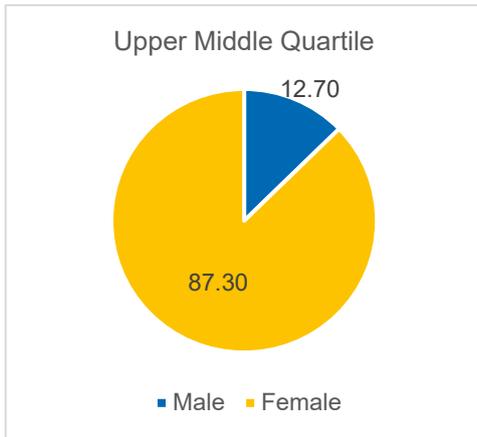
Our median pay gap is significantly more than the relevant industry benchmarks which is an area we will start to address in our action plan.

Pay quartiles

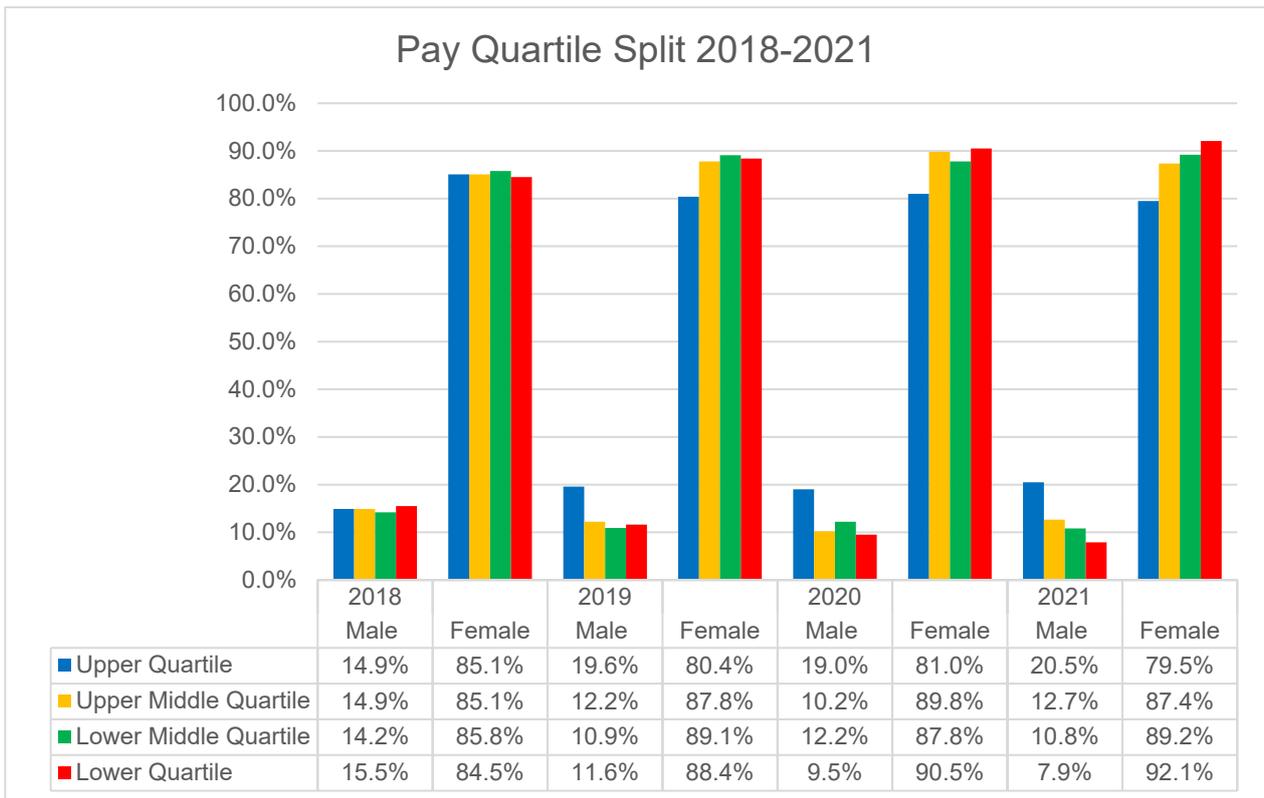
Our workforce is 87% female. It should be noted that a high proportion of female workers in the workforce is not particularly unusual for an organisation like ours with a majority of staff in health care roles.

The charts below illustrate the distribution of men and women in each of the four pay quartiles as of April 2021:





As the proportion of our male workforce is much smaller at 13%, any movement within this group has a more significant effect on the overall pay gap. In 2018 the split of male and females within each pay quartile was evenly spread. However, changes within the workforce between April 2018 and April 2021 have led to a shift within the upper and lower quartile as illustrated below:



Gender bonus gap

As part of legislative requirements, organisations are asked to include data on bonuses paid. Bonuses are very rarely paid as part of remuneration packages at The Children’s Trust.

In actual terms, one bonus payment was made within the organisation, and this reflects as a pay gap:

- The proportion of males (0) receiving a bonus payment is 0%
- The proportion of females (1) receiving a bonus payment is 0.17%

Causes of the gender pay gap at The Children's Trust

We have analysed our 2021 Gender Pay Gap Report and, together with our own experience of recruitment and retention of staff, believe the following factors are significant.

- Our three highest earners across the organisation are men, and this impacts the mean gap. Our Senior Leadership Team (SLT) has a higher representation of males than the organisation, with 62.5% being male, although this has not changed between the 2018 and 2021 report. Having reviewed our recruitment processes for transparency and gender fairness, senior hiring at The Children's Trust continues to focus on the best possible candidate regardless of gender, including through an external search partner. The balance of men and women in executive roles may vary from year to year, and this will naturally have a significant influence on our pay gap, given their higher remuneration levels.
- Within the upper quartile of the organisation sits the Operational Leadership Team (OLT). The operational leadership team have seen more changes over the period with an increase of males within this group. From 10% (3 males) in April 2018, to 20% in April 2021 (8 males). This included five new starters in 2019 and a further two males in 2020. This means that the OLT has a slightly higher representation of males compared with the rest of the organisation. Again, our recruitment processes are subject to due diligence in terms of fairness, and the recruitment is based on the appointment of the best candidate for the job regardless of gender. A high proportion of our workforce at this organisational level is female, but the relative percentages of male and female employees has changed.
- In addition to the increase in males in the upper pay quartile, the decrease in males within the lower pay quartiles is just as important to understand as a factor in why The Children's Trust has had an increase in gender pay gap. Between April 2018 and April 2021, the percentage of male employees in the lower pay quartile has decreased from over 15% to under 8%. 140 permanent employees sat within the lower quartile in April 2018, of these, 84% (118) were female and 16% (22) were male.
- In April 2021 we have 165 permanent employees within the lower quartile, of these, 7.8% (13) were male. Although the number of male leavers (4) was the same as the number of male starters (4) in 2021, the quartile was larger, so in effect the percentage of male new starters is still lower than the females. Between April 2018 and April 2021, the number of male leavers has been greater than the number of male joiners, with 16 males leaving the organisation from this pay quartile whereas only 9 new male starters joined this quartile. In comparison, 112 females have left, and 149 female new starters have joined in this quartile. This higher number of female joiners is having the same effect on the lower quartile as the higher number of new male joiners

is having on the upper quartile, causing an unequal distribution of genders across the pay quartiles, and contributing to the increase in gender pay gap for the organisation.

- When we look at the joiners and leavers across the whole organisation over this 36-month period, we can see that more males have left the organisation than have joined, whereas the opposite is the case for females. The highest percentage of leavers within the male group are within the upper pay quartile. In comparison, the highest number of female starters and leavers are within the lowest pay quartile. This movement of joiners and leavers has impacted our median pay gap. The breakdown below illustrates the changes within the reported group:

	No of Leavers			No of Starters		
	April 2018 - 2021	% of Leavers Overall	% of Leavers within Gender	April 2018 - 2021	% of Starters Overall	% of Starters within Gender
Male	48.00	15%		48.00	11%	
Upper	17.00	5%	35%	23.00	5%	48%
Upper Middle	8.00	2%	17%	9.00	2%	19%
Lower Middle	7.00	2%	15%	7.00	2%	15%
Lower	16.00	5%	33%	9.00	2%	19%
Female	280.00	85%		371.00	89%	
Upper	79.00	24%	28%	59.00	14%	16%
Upper Middle	48.00	15%	17%	84.00	20%	23%
Lower Middle	41.00	13%	15%	79.00	19%	21%
Lower	112.00	34%	40%	149.00	36%	40%

Conclusion

In conclusion, analysis of the data suggests that the main reason for the significant increase in gender pay gap between 2018 and 2021 is the movement of employees leaving and joining the organisation. We see males leaving the lower quartile and the organisation recruiting fewer males back into these roles, and more males joining than leaving the organisation in the upper pay quartile roles.

The gender pay gap has not had any further significant shift since April 2019 as the male employees leaving and joining the organisation have both largely been from the upper quartile while the female joiners and leavers as well as the core group of staff across the period have also stayed at a consistent level. To tackle the organisation's, pay gap, there must be a proportionate balance of both genders across the pay quartiles.

Due to the Covid pandemic many of our strategic projects had to be delayed as we focussed on more operational priorities. We did not have the capacity to put all the actions from last year's Gender Pay Gap Action Plan into practice. This will be a priority for the organisation in 2022. We intend to run the next gender pay report in April 2022, with a new report completed by end of May 2022. This will allow us the time to assess and make meaningful change, prior to the 2023 report.

What we will do next

We will take forward the following actions to publish, discuss, monitor, and further understand how our pay gap works, with the long-term aim of reducing our gender pay gap:

1. We will publish these results both internally and externally.
2. We will prepare and report on our 2022 Gender Pay report at the end of May 2022
3. We will focus on our short term 2021 Gender Pay Gap Action Plan (*Appendix A*), ensuring we integrate the actions into our work processes and that we are doing all we can to reduce the gender pay gap and promote gender equality.
4. We will start to scope the analysis of the recruitment process and candidate selection to be regularly reported to the Equality Diversity and Inclusion Steering Group to ensure robust and transparent review.
5. The Board will discuss and review our gender pay report.
6. We will continue to look to the external market for best practices to adopt, as the wider discussion on gender pay develops and becomes more of a focus for organisations, post pandemic. We will continue to build a culture that encourages all of our employees to perform to their potential, and be rewarded fairly and appropriately for the work that they do.
7. We will be open to, listen to and act appropriately on internal views and discussions on gender pay, stimulated by this report.

Equity at The Children's Trust

The Children's Trust wholeheartedly supports and embraces gender equity and believes that for equal work, pay should also be equal. Equal pay means that men and women are paid the same, for doing the same job – this has been the law since 1970.

We welcome the requirement for all organisations with over 250 employees to publish gender pay gap information. At The Children's Trust, this is a helpful way of reviewing and checking our practice and learning where we need to improve.

The Children's Trust's Gender Pay Gap Report has been prepared in line with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 and Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017. It reports on the differences between men's pay and women's pay across the organisation based on data as of 5 April 2021.

Appendix A – Action Plan

Action	Tasks	Timeframe
2022 Gender Pay Report	Prepare and publish 2022 Gender Pay Report and associated 12-month Action Plan, to give us time to assess the data and action appropriate recommendations in advance of 2023.	April – end of May
Listening to internal viewpoints	Run a series of drop-in sessions for staff to share views on the report and gain ideas for phase 2 actions. Specifically engage the Spark group and EDI steering group.	April – end of May
Recruitment agencies	Review our current contracts and ensure that all our preferred recruitment suppliers share and understand our approach to diverse recruitment. This may impact on any decision to expand our pool of recruitment suppliers in phase 2.	March / April
Recruitment activity – Phase 1	<p>Review shortlisting practices to ensure there is no unconscious gender bias.</p> <p>Ensure all adverts are optimised to attract a diverse candidate base.</p> <p>Review how roles are advertised with respect to flexible working and salary range.</p> <p>Enhance the data gathering of diversity details within recruitment practices.</p>	Review completed by May 2022
Recruitment activity – Phase 2	<p>Scope / plan and start implementing revised application and recruitment process.</p> <p>Commence scoping of recruitment data analysis.</p>	March – end of May
Maternity and paternity returners	Review the number of employees returning from maternity and paternity leave across pay quartiles.	May

Male carers – campaign	Scope campaign to start to focus on the recruitment of male carers.	
Lower quartile – campaign	Assess the impact we are having on the on the recruitment of staff falling within the lower quartile and recommend revised recruitment campaign.	