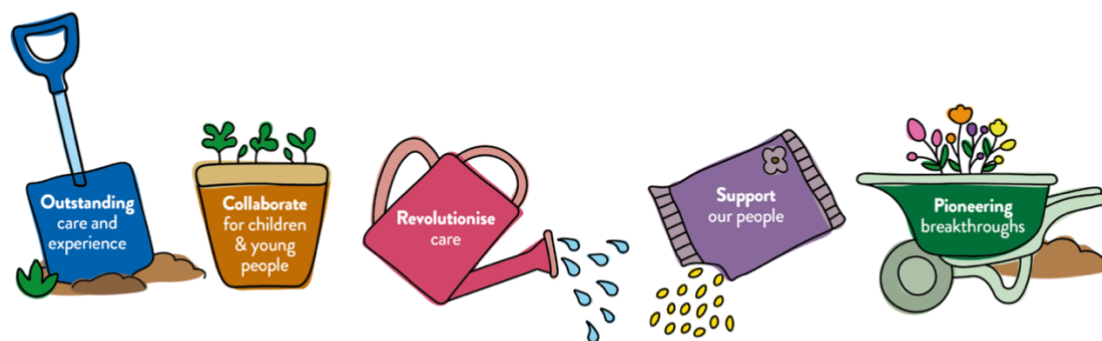


Alder Hey Children's NHS Foundation Trust Ethnicity Pay Gap 2025



A note on language: We recognise that grouping diverse ethnic identities under a single term can be reductive and does not reflect the richness of individual experiences. However, to remain consistent with the terminology used in the Ethnicity Pay Gap reporting, we will use the term 'Black and minority ethnic (BME)' when referring to ethnicity in this context.

Introduction

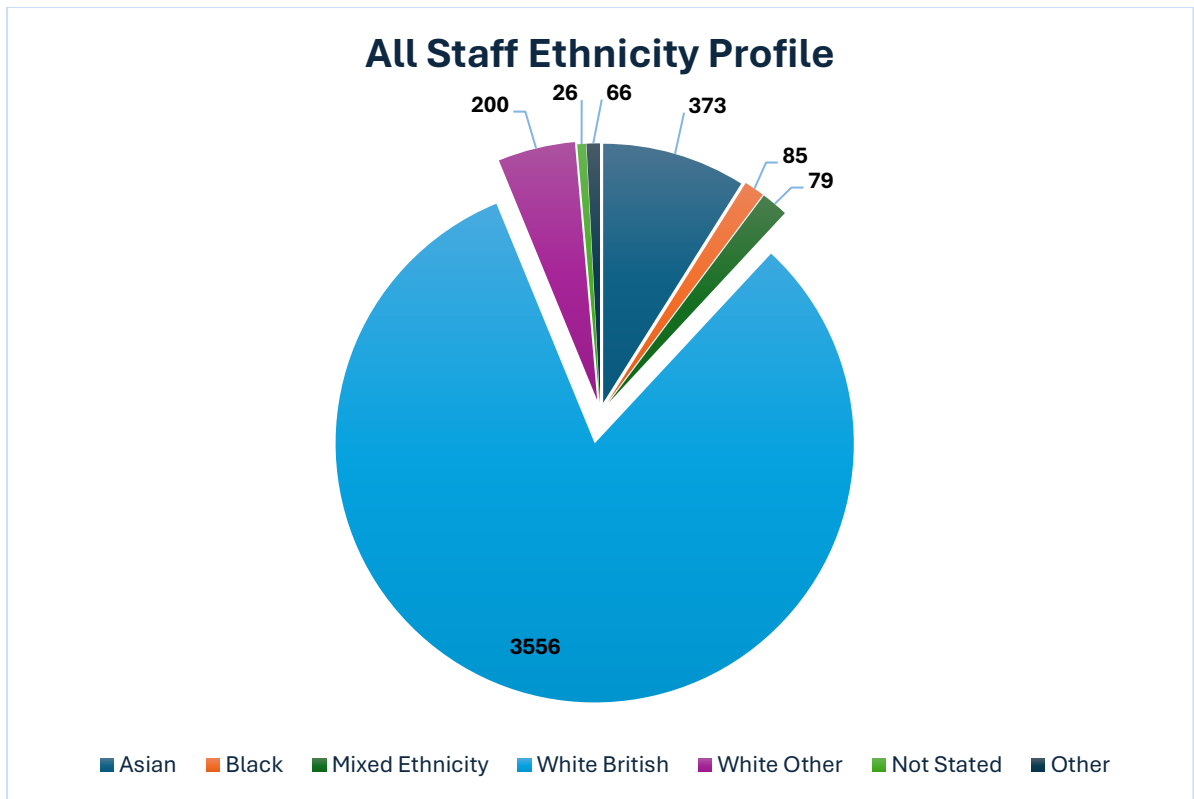
Alder Hey is fully committed to advancing equality, diversity, and inclusion, supporting our People Strategic priorities and Vision 2030. While progress has been made, we must do more to tackle discrimination, close inequality gaps, and create a true sense of inclusion, and belonging. Through collaboration, accountability, and a relentless focus on equity, we can build a Trust that is fair, compassionate, and welcoming to all. This report presents our first Ethnicity Pay Gap Report (EPGR) which is an addition to the workforce information that enables us to monitor diversity, equity, and help support our ambition to be a truly inclusive organisation. Publishing the EPGR demonstrates our commitment to being genuine, fair, and inclusion to all our staff, children and young people, and the communities we serve.

Background

The Gender Pay Gap reporting became part of our legal requirement as a public sector organisation in 2017. Unlike the Gender Pay Gap, the Ethnicity Pay Gap report is not mandated, although it can play an important part to embedding equity, diversity, and inclusion into organisations. The NHS EDI Improvement Plan was published in June 2023 which sets out 6 high-impact targeted actions to address the prejudice and discrimination that exists through behaviour, policies, practices, and cultures across the whole NHS. These recommendations have been mapped against our existing equality activity to assess gaps and improve standards where we feel there are opportunities to do this. High Impact Action 3 requires us to develop and implement strategies to eliminate pay gaps. We are committed to understand any differences that we identify in the EGPR, and we will act where appropriate. This is our first EPGR and it provides a complete analysis of the hourly rate of pay across different ethnic groups in the workforce. We used data from our Electronic Staff Record (ESR) as of 31st March 2025.

Our People

As of 31st March 2025, we had 4,385 members of staff employed at Alder Hey. 603 staff were Black, Asian or other ethnic minority (BME) staff, 3,756 White staff and 26 staff had not disclosed their ethnic origin on ESR. If we examine this further it shows us that 373 staff are Asian, 85 are Black, 79 are Mixed Ethnicity, 3,556 are White British and 200 are White Other. The graph below shows our ethnicity breakdown.



Ethnicity Pay Gap

The ethnicity pay gap is the percentage difference in the average hourly rate of pay of White, Black, Asian and minority ethnic employees. We calculate our ethnicity pay gap using the same methodology set out in the government regulations for calculating our gender pay gap.

Ethnicity pay gap reporting enables the Trust to understand the aspects of differences between ethnic groups including ethnicity representation at different pay levels in the Trust and across the Trust as a whole and differences in average pay between ethnic groups. Pay gap reporting supports and encourages action to eliminate pay inequalities.

The calculations reported on for this year are:

1. **Mean gender pay gap** – The difference between the mean (average) hourly rate of pay by ethnic group
2. **Median gender pay gap** - The difference between the median (middle) hourly rate of pay by ethnic group
3. **Quartile pay bands** - The proportions of employees in the lower, lower middle, upper middle and upper quartile pay bands by ethnicity

Mean and Median Pay Gap

The Ethnicity Pay Gap is the difference between the average hourly rate of pay of ethnic minority groups and White employees in the organisation. Whilst the NHS has clear, evaluated salary ranges in place for all job roles which ensures that everyone is paid fairly for undertaking the same or a similar role. The ethnicity pay gap looks at the distribution of our people by ethnic group across all job levels of the organisation and identifies how this translates into the average salary and bonus payments made as a result. The mean ethnicity pay gap and median ethnicity pay gap for all employees is detailed below:

Ethnic Group	Mean Hourly Rate (£)	Median Hourly Rate (£)
BME	30.10	21.34
White	22.11	19.10
Unknown	25.37	23.60

- **Mean ethnicity pay gap: -35.7%** (White vs BME): -£7.99 (BME higher)
- **Median ethnicity pay gap: -11.6%** (White vs BME): -£2.24 (BME higher)

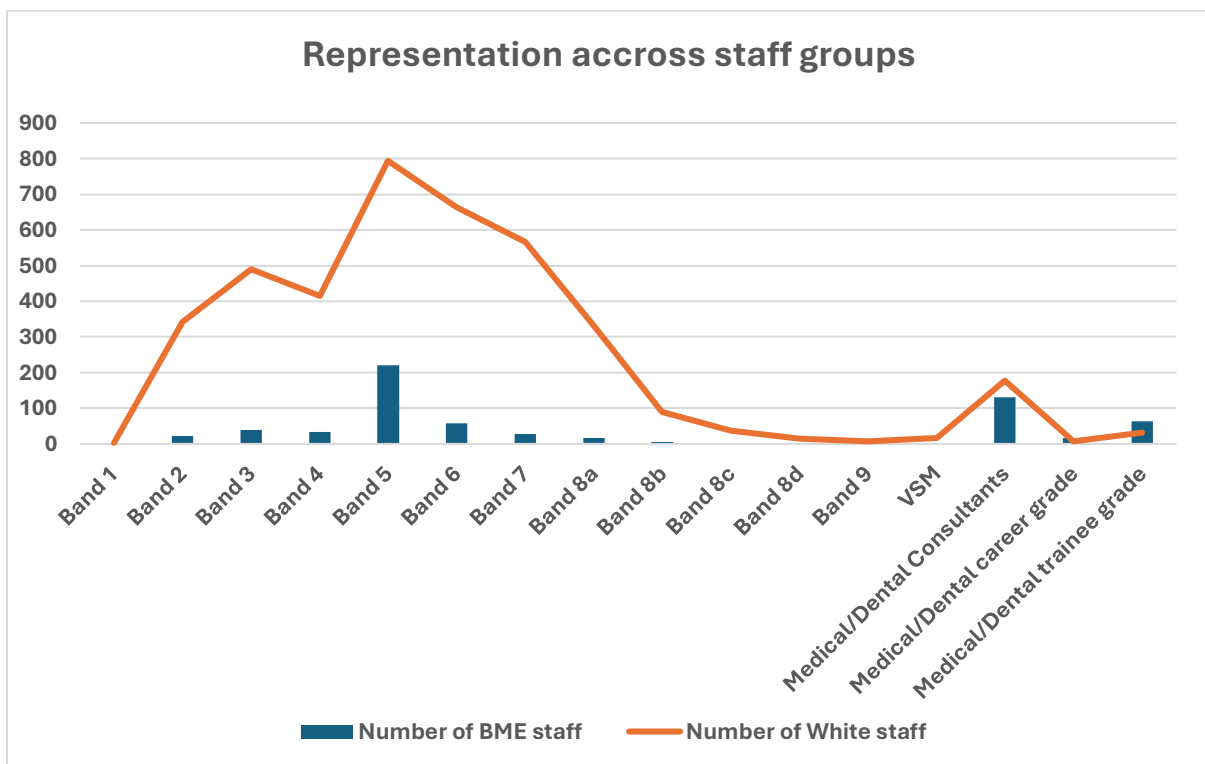
Note: In this dataset, BME staff earn more on average than White staff, this could potentially be driven by representation in senior clinical roles.

When comparing mean hourly pay, BME staff earn £7.99 more per hour than White staff. This difference may be influenced by the international recruitment drive, which was to address the national nursing shortage, as well as the higher proportion of BME staff working in senior medical roles, with higher pay.

Representation by Pay Quartile (Q1 = Lowest, Q4 = Highest)

To better understand workforce diversity and inform targeted action, the ethnic composition of staff across four pay quartiles is presented. Quartile 1 is the lowest paid staff, and it shows the lowest proportion of BME staff at 7.51% (82). This suggests limited ethnic diversity in lowest paid roles. Quartile 2 sees a modest increase in representation to 13.33% (158). Quartile 4 is the highest paid roles, and it has the highest proportion of BME staff at 19.60% (237). The higher BME representation in Quartile 4 is likely driven by the concentration of medical staff, who nationally tend to be more ethnically diverse than other staff groups. This means the data may not necessarily reflect broader diversity in leadership or senior non-clinical roles. There is a need for role specific and staff level analysis alongside targeted interventions to ensure equitable representation across all roles.

Ethnicity	Q1	Q2	Q3	Q4
BME	7.51%	13.33%	11.22%	19.60%
White	91.63%	85.96%	87.68%	77.58%
Unknown	0.86%	0.70%	1.09%	2.83%



The chart above provides an overview of the representation of BME and White staff across the staff groups. Band 5 shows the highest representation for both BME and White staff, reflecting its role as a common entry point for clinical staff, especially nurses and allied health professionals. The medical and dental consultants and trainee grades also show strong BME representation, consistent with national trends in medial recruitment. However, as we move up the pay bands, especially bands 7-9 the number of BME staff declines significantly, suggesting potential barriers to career progression. BME staff are disproportionately represented in lower pay bands and underrepresented in higher roles, whilst the medical and dental staff groups show higher diversity, this does not translate into equitable representation at senior levels.

Conclusion

The report presents the Trust's first ethnicity pay gap data. Bases on the data it shows that as of March 2025:

Mean ethnicity pay gap: -35.7%

Median ethnicity pay gap: -11.6%

BME staff show higher average pay than White colleagues, likely due to the medical and dental staff groups. Despite this, representation in the top pay quartiles remains disproportionately low for BME groups. There is a need to explore career progression barriers, particularly for ethnic minorities in mid-band roles.

Recommended Actions

The Trust is committed to creating an equitable workforce, working towards reducing any pay gaps. We have started to implement actions to address the identified recommendations:

1. **Improve Ethnicity Data Recording:** working to encourage staff to record their ethnicity on ESR, reducing "Not Known" categories to improve analysis accuracy.
2. **Leadership Development Pathways:** Expand targeted progression programmes for underrepresented ethnic groups. Work has begun to develop a specific leadership programme for internationally recruited staff
3. **Inclusive Recruitment and Promotion:** Review panel diversity, bias training, and internal promotion processes. Work has started on improving our recruitment processes making them more accessible and inclusive.
4. **Regular Monitoring and Reporting:** We will continue to monitor and report on ethnicity pay gap annually as set out in the NHS EDI Improvement Plan.