

Report to	Date of meeting	Attachment number
Trust Board / People Committee/EDI Task Force	17 th March 2021	Paper xx

Ethnicity Pay Gap (RPG) Report 2021

Executive summary

This paper informs the trust committees, i.e. People Committee, EDI Task Force, and Trust Board of the current position on the overall workforce ethnicity pay gap (EPG). This is currently not a legislative or NHSEI requirement; however, it is good practice to identify the difference between the average earnings (mean) of staff by their ethnicity to provide a better understanding of causal links to health inequalities.

This is the first time the trust will be collate the ethnicity pay gap report as part of its data analysis to help inform it's delivery of the London Workforce Race Equality strategy.

The Trusts EPG is:

Mean ethnicity pay gap is 11.26%

- Overall there is an ethnicity pay gap of 11.26% between the White and the Ethnic Minorities staff group in the Trust.
- The highest gap is between the White male and the Ethnic minorities male staff at 16.89%

With further analysis, the gap between the different staff ethnic groups shows a significant gap between the groups, see detail below:

- Black staff group – 23.66%
- Mixed ethnic staff group – 14.13%
- Other Ethnic Minorities staff group – 5.72%
- Asian staff group – 2.68%
- Other Ethnic Minorities staff group (without classification) – 1.81%

(Black staff group consists of the Black Caribbean and Black African staff groups).

Promotions

A key indicator of increase in earnings is staff promotions, this feeds directly into earnings. In the last 12 months, the trust's promotion analysis by ethnicity also indicates that though there is an 8% increase in promotion amongst all staff, there are significant differences:

- Staff group from Asian origin accounted for the highest increase in promotion within the Ethnic Minorities staff group at 19.03%.
- Black African staff group accounted for 10.67%

- Black Caribbean staff group accounted for 2.31%
- Bangladeshi staff group accounted for 1.54%
- Pakistani staff group accounted for 1.32%
- White British staff group accounted for 22.55%.

One of the Trust's equality objectives is addressing the under-representation of Ethnic Minorities staff in senior roles. However, the ethnicity pay gap and the promotions report by ethnicity shows that there is a significant gap between outcomes for individual Ethnic Minorities staff groups as stated above.

Therefore, the interventions requires better understanding and focus as the current initiatives do not seem to demonstrate the same level of positive and evidential impact on a significant part of the Ethnic minorities staff groups.

The Trust will continue to monitor the ethnicity pay gap with a view to close the gaps by working with staff groups to examine and address the issues it raises.

Action required

This paper is for information, discussion and approval to publish the EPG data on the Trust's external website by the 31st March 2019.

Meetings where this report has been discussed previously

Meeting	Date	Decision
People Committee	17th March 2021	Proceed to Trust Board
Equality and Inclusion impact		It's a positive step for the Trust to undertake the EPG while it is not yet a legislative requirement. The EPG highlights a negative impact on Black Caribbean, Black African, Pakistani and Bangladeshi staff group. The Trust will be taking this workforce intelligence into consideration when implementing its London Workforce Race Equality strategy.
Environment/Sustainability impact		N/A
Compliance impact		CQC – Well led NHS People Plan – Recognising and valuing our people

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Date 12 March 2021

Race (RPG) report 2020

1. Introduction

There is no legislative requirement in the UK to conduct an ethnicity pay gap report, however, recent events in the last 12 months, i.e. the disproportionate impact of covid19 on Ethnic Minorities in the UK, the killing of George Floyd in the US triggering numerous Black Lives Matter protests and recent Public Health England report “Disparities in the risk and outcomes of covid19” June 2020 highlights the fact that in the people from ethnic minorities are more likely to have lower paid jobs that expose them to higher risk of infectious diseases and due to their level of earnings they are more likely to live in poverty.

Access to good jobs and an equitable pay is a key determinant of good health, without which access to good quality housing, food, education and extracurricular activities that helps to enhance physical and mental health becomes a daily struggle.

The UK government in 2017 published the first report to examine the barriers people from Ethnic Minorities faced in employment “Race in the Workplace” .The report highlighted the need to first be able to measure the disadvantage some ethnic groups face in order to address the barriers to earnings.

By 2018, “The Race Disparity Unit” and CIPD led the call for introduction of ethnicity pay gap reporting in “Our Manifesto for Work”. This led to the government consultation to introduce mandatory ethnicity pay reporting in October 2018 to January 2019. The data and feedback received from the consultation process are still being analysed by the Department for Business, Energy and Industrial strategy, outcome is pending.

2.1 Ethnicity pay gap reporting

The trust has compiled its data on the ethnicity pay gap for the first time based on average hourly earnings for each ethnic staff groups. The ethnicity pay gap (EPG) report contains all full and part time staff, those on fixed term contracts, hosted organisations, and bank and agency workers. Staff on maternity leave and long term sickness is excluded from the calculations.

The EPG is calculated by the difference between the average hourly earnings of the White British and other ethnic groups. Analysing and reporting pay gap reports will ensure organisations measures the gaps and take more seriously the huge disparity in average earnings between ethnic staff groups.

2.2 Overall ethnicity pay gap

- Overall there is an ethnicity pay gap of 11.26% between the White and the Ethnic minorities staff group in the trust.
- The highest ethnicity pay gap is between the White male and the Ethnic minorities staff at 16.89%
- The White staff group currently earns £23.63 average earnings per hour. While the Ethnic Minorities staff group earns £20.97 per hour.

- This ethnicity pay gap highlights the lower numbers of Ethnic Minorities male in higher pay bands. Please see table below for full details.

Table a – trust ethnicity pay gap

Ethnicity Pay Gap overall workforce						
	Headcount		Avg. Hourly Rate			
Gender	Ethnic Minorities	White	Ethnic Minorities	White	Difference	Pay Gap %
Female	4,712	4,340	£20.10	£22.20	£2.10	9.47%
Male	1,936	1,492	£23.08	£27.77	£4.69	16.89%
Grand Total	6,648	5,832	£20.97	£23.63	£2.66	11.26%

2.2 Ethnicity pay gaps by ethnic groups

2.2.1 Black staff group ethnicity pay gap

The Black staff group consisting of Black African and Black Caribbean accounts for the group with the highest ethnicity pay gap at 23.66%. The race gap is driven by a number of factors, i.e. predominance of Black African and Black Caribbean staff in lower pay bands and under representation in managerial roles. Please see table b below.

Table b: Black staff group pay gap

Ethnicity Pay Gap for Black African and Black Caribbean staff groups.						
	Headcount		Avg. Hourly Rate			
Gender	Black	White	Black	White	Difference	Pay Gap %
Female	1,872	4,340	£18.01	£ 22.20	£4.19	18.87%
Male	508	1,492	£18.13	£ 27.77	£9.64	34.71%
Grand Total	2,380	5,832	£18.04	£23.63	£5.59	23.66%

2.2.2 Mixed staff group pay gap

The Mixed staff group accounts for the group with the second highest ethnicity pay gap at 14.13%. The race gap is driven by the same factors similar to the Black African and Black Caribbean staff group, i.e. lack of representation in managerial roles. Please see table c below.

Table c: Mixed staff group pay gap

Ethnicity Pay Gap for Mixed staff groups						
	Headcount		Avg. Hourly Rate			
Gender	Mixed	White	Mixed	White	Difference	Pay Gap %
Female	315	4,340	£20.14	£22.20	£2.06	9.29%
Male	124	1,492	£20.67	£27.77	£7.10	25.56%
Grand Total	439	5,832	£20.29	£23.63	£3.34	14.13%

2.2.3 Other Ethnic Minorities staff group pay gap

The Other Ethnic Minorities staff group accounts for the group with the third highest ethnicity pay gap at 5.72%, Chinese, please see table d below.

Table d: Other Ethnic Minorities staff group pay gap

Ethnicity Pay Gap						
	Headcount		Avg. Hourly Rate			
Gender	Other Ethnic Minorities staff group	White	Other Ethnic Minorities staff group	White	Difference	Pay Gap %
Female	443	4,340	£21.23	£22.20	£0.97	4.36%
Male	237	1,492	£24.22	£27.77	£3.55	12.78%
Grand Total	680	5,832	£22.27	£23.63	£1.35	5.72%

2.2.3 Asian staff group pay gap

The Asian staff group accounts for the group with the second to the lowest ethnicity pay gap at 2.68%. They are well represented across all the trust's senior leadership, managerial and medical and dental staff groups which are the higher paying roles in the trust. This is a key factor in the Asian staff group accounting for the low ethnicity pay gap in the Trust. Please see table e below.

Table e: Asian staff group pay gap

Ethnicity Pay Gap						
	Headcount		Avg. Hourly Rate			
Gender	Asian	White	Asian	White	Difference	Pay Gap %
Female	2,082	4,340	£21.73	£22.20	£0.47	2.13%
Male	1,067	1,492	£25.46	£27.77	£2.31	8.31%
Grand Total	3,149	5,832	£22.99	£23.63	£0.63	2.68%

2.2.4 Other Ethnic Minorities (without classification) staff group pay gap

The Asian staff group accounts for the group with the lowest ethnicity pay gap at 1.81%. These are a small group of staff who are Ethnic Minorities and will not classify themselves in the sub-categories. Please see table f below.

Table f: Other Ethnic Minorities (without classification) staff group pay gap

Ethnicity Pay Gap						
	Headcount		Avg. Hourly Rate			
Gender	Other	White	Other	White	Difference	Pay Gap %
Female	130	4,340	£21.42	£22.20	£0.78	3.51%
Male	58	1,492	£27.18	£27.77	£0.59	2.13%
Grand Total	188	5,832	£23.20	£23.63	£0.43	1.81%

3.0 Promotions by ethnicity

Over the last 12 months there is an 8% increase in staff promotion.

When further analysed it is evident that promotion has increased for White British and staff of Asian origin. While a significant staff groups have experienced a decrease in promotion.

Please see the breakdown and the promotion analysis for 2020 and 2019 in table g1 and g2 below.

- White British accounts for the highest at 22.55%.
- Asian of Indian origin accounts for the highest number of promotions within the Ethnic Minorities staff group at 19.03%.
- Black African accounts for 10.67%
- Black Caribbean accounts for 2.31%
- Bangladeshi accounts for 1.54%
- Pakistani accounts for 1.32%

Table g1: Promotions by ethnicity - 2020

Ethnicity Detail	Headcount	% of Total Headcount	Promotions Headcount	% of Promotions
African/Black British African	1205	11.67%	97	10.67%
Any other Asian background	1073	10.39%	125	13.75%
Any other mixed/multiple ethnic background	126	1.22%	11	1.21%
Bangladeshi/British Bangladeshi	128	1.24%	14	1.54%
Black/Black British Other	233	2.26%	16	1.76%
Caribbean/Black British Caribbean	433	4.19%	21	2.31%
Chinese	151	1.46%	11	1.21%
Indian/British Indian	994	9.63%	173	19.03%
Other	145	1.40%	6	0.66%
Other BME	530	5.13%	58	6.38%
Pakistani/British Pakistani	174	1.69%	12	1.32%
White and Asian	94	0.91%	10	1.10%
White and Black African	58	0.56%	5	0.55%
White and Black Caribbean	71	0.69%	6	0.66%
White British	3281	31.78%	205	22.55%
White Irish	332	3.22%	35	3.85%
White Other	1297	12.56%	104	11.44%
Grand Total	10325	100.00%	909	100.00%

Table g2: Promotions by ethnicity - 2019

Ethnicity Detail	Headcount	% of Total Headcount	Promotions Headcount	% of Promotions
African/Black British African	1113	11.55%	134	16.05%
Any other Asian background	952	9.88%	87	10.42%
Any other mixed/multiple ethnic background	104	1.08%	8	0.96%
Bangladeshi/British Bangladeshi	123	1.28%	9	1.08%
Black/Black British Other	190	1.97%	16	1.92%
Caribbean/Black British Caribbean	400	4.15%	32	3.83%
Chinese	152	1.58%	8	0.96%
Indian/British Indian	852	8.84%	65	7.78%
Other	105	1.09%	8	0.96%
Other BME	498	5.17%	41	4.91%
Pakistani/British Pakistani	152	1.58%	6	0.72%
White and Asian	91	0.94%	5	0.60%
White and Black African	58	0.60%	6	0.72%
White and Black Caribbean	59	0.61%	7	0.84%
White British	3221	33.42%	243	29.10%
White Irish	304	3.15%	38	4.55%
White Other	1265	13.12%	122	14.61%
Grand Total	9639	100.00%	835	100.00%

4.0 Conclusions

The trust's ethnicity pay gap data highlights similar trends in the workforce recruitment data on Bands 8a and above, as well as the areas within the Ethnic Minorities staff group with a significant difference, i.e. Black African, Black Caribbean and the Mixed staff group.

The Ethnic Minorities staff group is not a homogeneous group, data analysis highlights the significant differences in outcomes of pay gaps and many other employment data trends highlights differences in staff experiences.

The trust's implementation of the following key interventions will support improvement in this area to close the gaps identified:

- Implementing strategies to foster inclusion and equity, i.e. rolling out diverse interview panels to all posts in the Trust;
- Challenging systemic racism by tackling Ethnic Minorities career progression by implementing and embedding the de-bias recruitment framework from NHSEI.
- Continued conversation with staff through staff networks and all other communication and engagement channels to identify the multiple and layered strategies required to address the ingrained differentials in pay gaps.

- Delivering equality initiatives for senior leaders to make inclusion and eliminating inequalities a priority to support competency in inclusion to better understand the diverse need of the local health economy, i.e. implementing a first cohort of reverse mentoring pilot scheme.

5.0. Recommendation

- The People Committee/GEC/LEC/EDI Task Force and Trust Board are asked to discuss and note the ethnicity pay gaps in the Trust.
- The ethnicity pay gap does not need to be published, however, it's a key workforce intelligence that highlights and correlates the adverse trends for specific staff groups.
- The EDI Task Force will receive annual progress report.
- The Board's discussion held on 24th March 2021 asked the Trust to focus on any active steps that can be taken to monitor opportunities for additional earnings and that these are promoted and potentially distributed in ways that help actively address the GPG e.g. making sure extra shifts or work are made available to all.