

## Ethnicity Pay Gap Report 21/22

### Background

The UK government in 2017 published the first report to examine the barriers people from Ethnic Minorities face in employment, named *Race in the workplace*. Their report highlighted the need to first be able to measure the disadvantage some ethnic groups face in order to address the barriers to earning as much as their white colleagues.

In 2018, the Race Disparity Unit and CIPD led the call for the introduction of ethnicity pay gap reporting in “Our Manifesto for Work”. This led to the government consultation on whether to introduce mandatory ethnicity pay gap reporting, which ran from October 2018 to January 2019. The Women and Equalities Committee published a report calling for the Government to implement mandatory reporting of ethnicity pay by April 2023. The Government confirmed no mandatory ethnicity pay gap reporting. The Trust will be report on it ethnicity pay gap as part of its anti-racist approach.

In the absence of a mandatory framework for ethnic pay gap reporting, Trusts who do take the steps to report their ethnicity pay gaps have to select their own reporting measures. As a Trust we have worked with the NHS London Region Equality, Diversity and Inclusion team to ensure that the areas we have chosen to report on align with the gender pay gap but also take into account the complexity of ethnicity pay reporting compared with gender pay reporting.

We have chosen to replicate the measure used in gender pay gap reporting with some changes, to account for the different data sets. The gender pay gap report compares two distinct groups – male and female – whereas ethnicity recorded on ESR can fall into one of four broad categories: white, Black, Asian and minority ethnic, blank (not recorded) and unspecified (chose not to answer). The way that gender is recorded on ESR means that there can be no blank or unspecified records. In calculating the mean and median differences, we have chosen to focus on those who have specified their ethnicity to give the most precise view of the ethnicity pay gap in the Trust, as people with blank or undeclared ethnicities could either be Black, Asian and minority ethnic or white. The blank and unspecified records are included in the Trust average.

As the CIPD observed, use of a single category for Black, Asian and minority ethnic people masks the variations in labour and pay market outcomes between ethnicity groups. Therefore, we have presented a further data breakdown in section 5 using the ONS Census’s five ethnicity categories.

This report includes:

- The mean and median ethnicity pay gaps
- The mean and median ethnicity bonus pay gap
- The proportion of Black, Asian and minority ethnic and white employees who received a bonus
- The proportions of Black, Asian and minority ethnic and white employees in each pay quartile

The ethnicity pay gap report shows the difference in the average pay between Black, Asian and minority ethnic staff in our workforce. Where there is a positive percentage, this mean that the pay of white staff is higher than the pay of Black, Asian and minority ethnic employees; the higher the percentage, the greater the ethnicity pay gap.

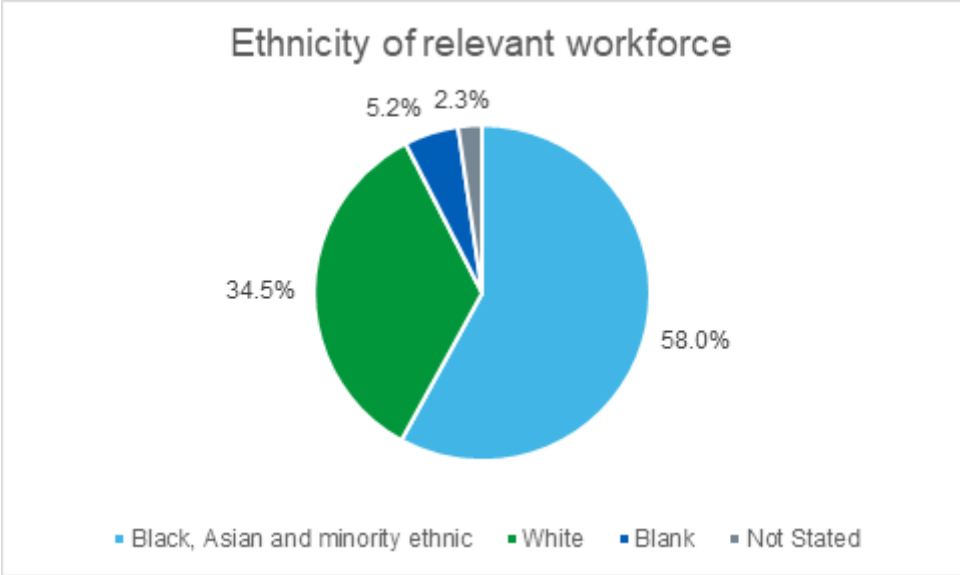
The ethnicity pay gap is different to equal pay. Ethnic pay disparities are not primarily about those from a white background and other ethnic groups being paid differently for the same job. The Equality Act 2010 make it unlawful to discriminate (both directly and indirectly) against employees (and people seeking work) because of their race. Therefore, unless there is a failure to comply with existing law, pay disparities between ethnic groups are likely to be due other factors to that impose disadvantage on people from ethnicity minorities.

**Our workforce**

This report aligns the ethnicity pay reporting with gender pay reporting, but recognises the differences. All calculations relate to the pay period in which the snapshot day falls, which is 31 March 2022. This report is in line with the Equality Act 2010 regulations. **15,393** employees were categorised as “relevant employees” for the purposes of the ethnicity pay calculations; the same data set as the gender pay gap was used. Please see definitions at end for further details.

**Ethnicity**

The table below shows the proportions of the relevant workforce from a Black, Asian and minority ethnic background and a white background, as well as those who had not completed their ethnicity on Electronic Staff Record (ESR) (“Blank”) and those who had indicated they did not wish to disclose their ethnicity (“Not Stated”).



The proportion of employees who have disclosed their ethnicity is 92.5%. There is a breakdown of the groups within the Black, Asian and minority ethnic category within section 5 and Appendix 2 of this report.

We have maintained the separation of the “Blank” and “Not Stated” categories in this diagram as they are fundamentally different; those who have indicated they do not wish

to disclose their ethnicity have made an active choice to do so, whereas those with blank records may yet declare themselves to be Black, Asian and minority ethnic, white, or indicate that they do not wish to make this declaration.

### **Bonus pay**

For 2022, relevant bonus pay includes Clinical Excellence Awards (CEA) for consultants, long service awards and one-off incentive payments relating to the Trust's Covid-19 response.

Long service awards of £150, awarded to those who completed their twentieth year of service in 2020/2021, were issued in September 2021 and are therefore included in this analysis, including the mean and median bonus pay for all bonuses. However, they do not appear in the tables at 4.3 and 4.4 as an individual line (mean and median bonus pay) as the value of the award is the same for each recipient (£150).

During Covid-19, our substantive pay for Agenda for Change staff was impacted by a one-off incentive scheme, where we paid ICU surge rota enhancements for a period of 10 weeks. This incentive was paid to nursing staff over the period of 21 January 2021 to 31 March 2021. As this incentive was paid in arrears, the period reported on will be 1 March 2021 to 31 March 2021, as these payments were received in April 2021.

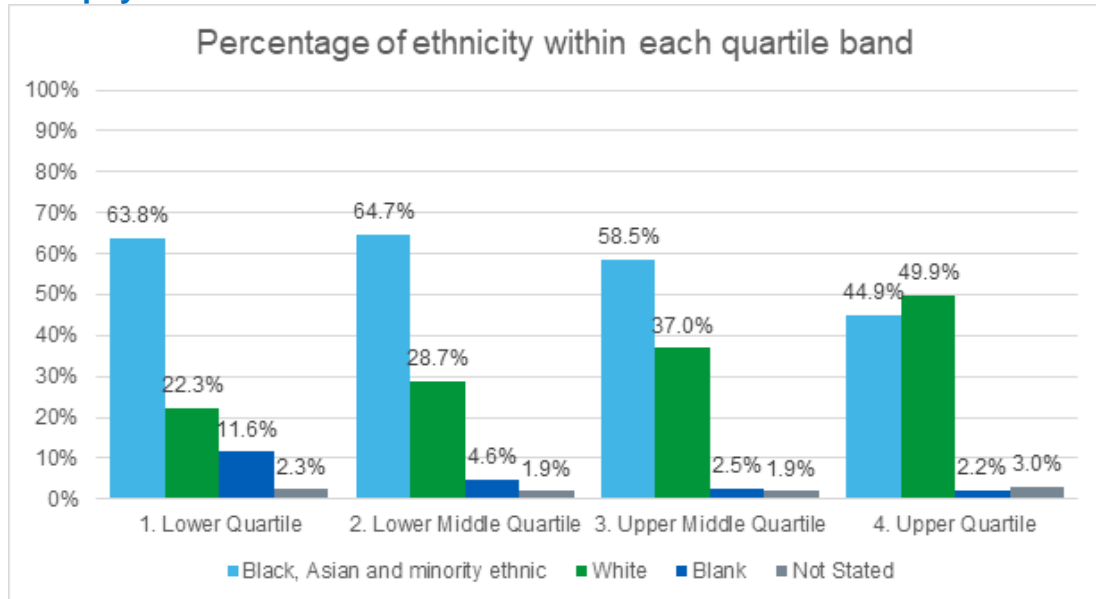
For the second year running, the CEA bonus award payments were delayed and distributed rather than awarded on merit. The pay gap data for March 2022 was the 2019/2020 awards distribution was paid in April 2021.

It is important to note that the CEA awards bonus data does not include any newly issued awards in this reporting period of 2021/2022. The tripartite negotiating group (NHS Employers, the British Medical Association and HCSA) advised Trusts to equally distribute the year's Local CEA funds (and any remaining from previous years) among all eligible consultants. This approach has been replicated this year, so will also impact on next year's reporting.

### **Overall ethnicity Pay Gap Analysis**

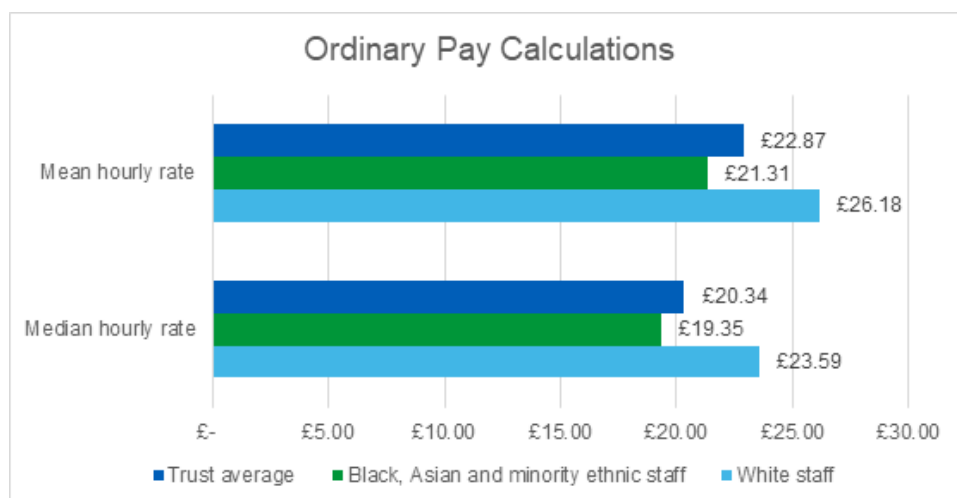
This section examines the overall pay gap between white and Black, Asian and minority ethnic staff.

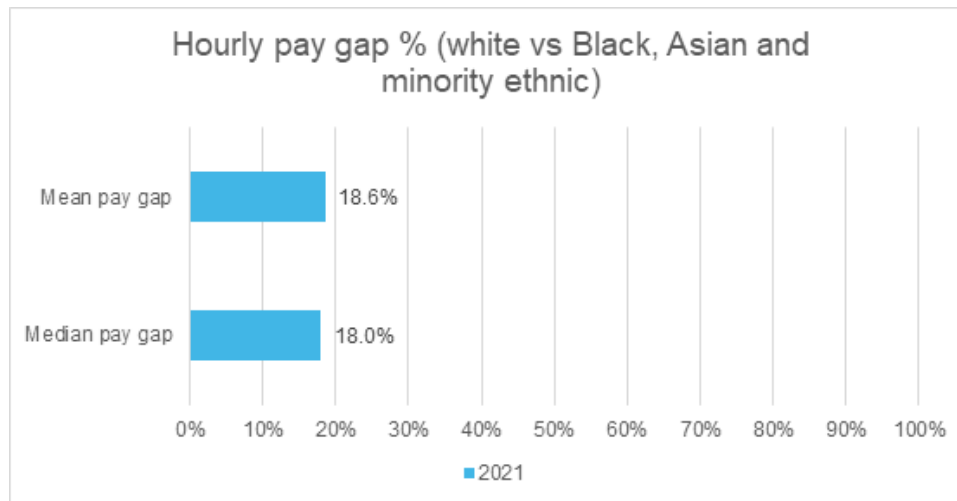
## Quartile pay bands



There are several aspects to note about the distribution of ethnicity within the pay bands. The highest proportion of people with no ethnicity completed is within the first quartile, suggesting the records of those paid the least are more likely to be incomplete. There is no significant variation in the proportion of people who chose not to declare their ethnicity throughout the quartiles.

The proportion of Black, Asian and minority ethnic staff is consistently over 50% in the first three quartiles, but drops by 13.6% in the fourth and highest-earning quartile. This is indicative of under-representation of Black, Asian and minority ethnic staff in the highest bands. There are fewer white people in quartile one and more white people in quartile four, indicating that white people are under-represented in lower-earning positions yet over-represented in the highest-earning positions.





### Mean ethnicity pay gap

This is defined as the difference between the mean hourly rate of pay of all white full-pay relevant employees and the mean hourly rate of relevant employees from a Black, Asian and minority ethnic background. The mean pay gap between white staff and Black, Asian and minority ethnic staff was **18.6%**.

As well as there being a sizable pay gap between Black, Asian and minority ethnic staff and their white counterparts, the former also earn less on average than the mean across the Trust.

### Median ethnicity pay gap

This is defined as the difference between the median hourly rate pay of all white full-pay relevant employees and that of full-pay relevant employees from a Black, Asian and minority ethnic background. The median pay gap between white staff and Black, Asian and minority ethnic staff was **18.0%**.

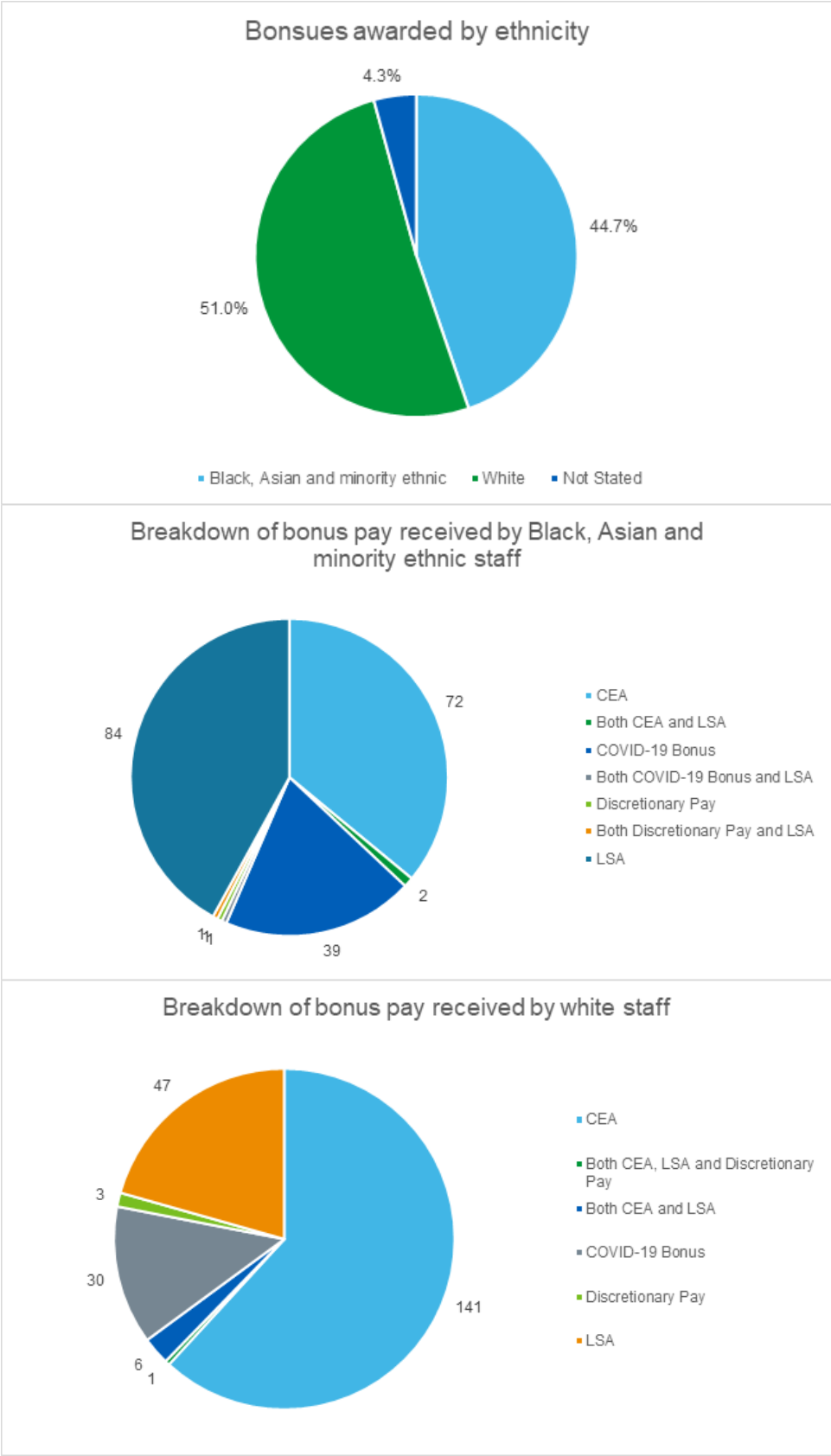
Black, Asian and minority ethnic staff still earn less than the Trust median. While the median pay gap is smaller than the mean pay gap, it is not by a large amount.

### Proportion of Black, Asian and minority ethnic people and white people receiving bonus pay

When considering the overall Trust population, 4.3% of white employees receive a bonus payment, while 2.2% of Black, Asian and minority ethnic employees do. Therefore, 2.1% more white employees receive bonus payments compared to Black, Asian and minority ethnic employees across the Trust.

Overall, there were 228 white employees and 200 Black, Asian and minority ethnic employees who received a form of bonus pay for the relevant period, along with 19 individuals who chose not to declare their ethnicity. No one with a blank ethnicity record received a bonus. 9 consultants received both a CEA and a Long Service Award, with one person receiving both the Covid-19 bonus and Long Service Award, and one consultant receiving a pay award for additional duties and a Long Service Award. For the purposes of the overall bonus calculations, where individuals received multiple

types of bonus payment, they were combined, so the individuals were not counted twice. The charts below detail the breakdown of the types of bonus pay received for both white staff and Black, Asian and minority ethnic staff.



### Clinical Excellence Awards

Clinical Excellence Awards can only be awarded to consultants, which reduces the pool of potential awardees. The CEA scheme is intended to recognise and reward those consultants who contribute most towards the delivery of safe and high-quality care to patients and to the continuous improvement of NHS services. Eligible consultants are those in substantive posts with more than one year's Trust service at the time of the application.

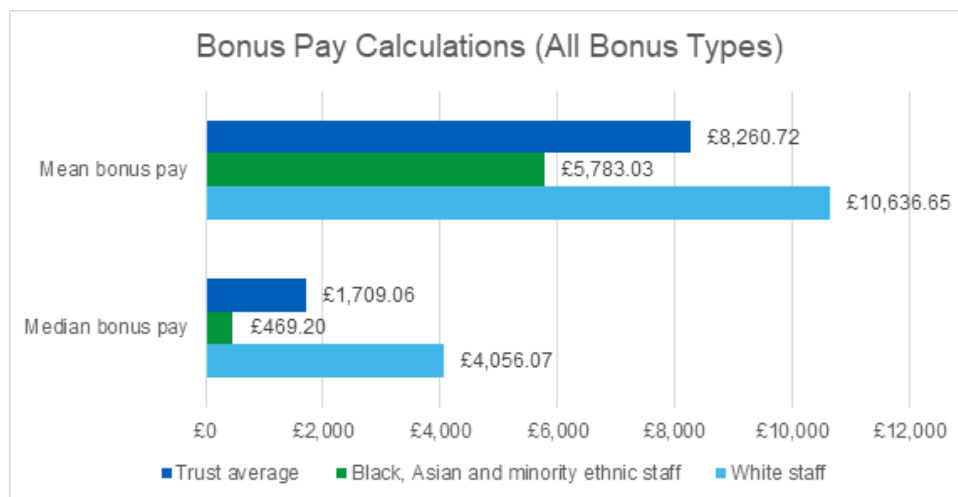
There are a higher proportion of white consultants, making up 57.5% of the consultants in the relevant group, where consultants from a Black, Asian and minority ethnic background made up 38.6% of consultants. However, 64.4% of the CEAs were awarded to white consultants and 32.2% to Black, Asian and minority ethnic consultants, indicating that white consultants were more likely to be awarded CEAs than their counterparts.

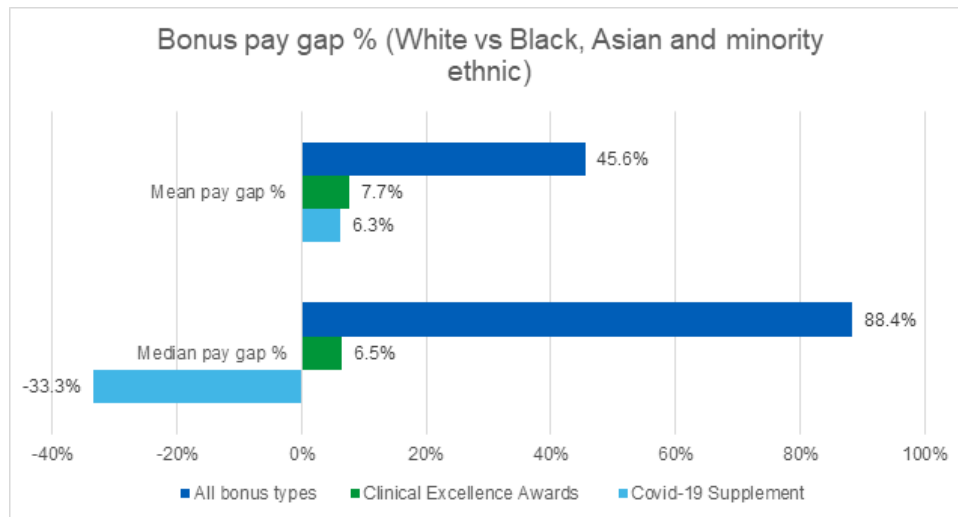
### Covid-19 Bonus

A higher number of Black, Asian and minority ethnic nurses than white nurses undertook shifts for which the Covid-19 bonus was payable, which may be reflective of there being more nurses from a Black, Asian and minority ethnic background within the Trust's workforce.

### Long Service Award

More Black, Asian and minority ethnic employees completed their twentieth year of service than white employees; however, the proportions mirror the Trust's overall ethnicity breakdown (with 57.5% of awardees being from a Black, Asian and minority ethnic background and 35.3% being white).





### Mean bonus gap

This is defined as the difference between the mean bonus pay of all white relevant employees and the mean bonus pay of relevant employees from a Black, Asian and minority ethnic background. The mean bonus pay gap percentage between white staff and Black, Asian and minority ethnic staff was **45.6%**.

### Median bonus gap

This is defined as the difference between the median bonus pay of all white full-pay relevant employees and the median bonus pay of relevant employees from a Black, Asian and minority ethnic background. The median bonus pay gap percentage between white staff and Black, Asian and minority ethnic staff was **88.4%**.

### Summary of ethnicity pay gap

While Black, Asian and Minority ethnic staff make up 58.0% of the Trust's workforce population eligible for the report, Black, Asian and minority ethnic staff make up only 44.9% of the top quartile of pay (quartile 4). Their white counterparts are overrepresented in quartile 4, making up 49.9% of this top quartile, and they are underrepresented in quartile 1, making up only 22.3%.

The pay gap is not a surprise due to the under-representation of Black, Asian and Minority ethnic at the most senior level of the Trust. The NHS national EDI team has established a goal to eliminate the ethnicity pay gap through greater representation of Black, Asian and minority ethnic talent in senior leadership, with aims of achieving their targets by 2028.

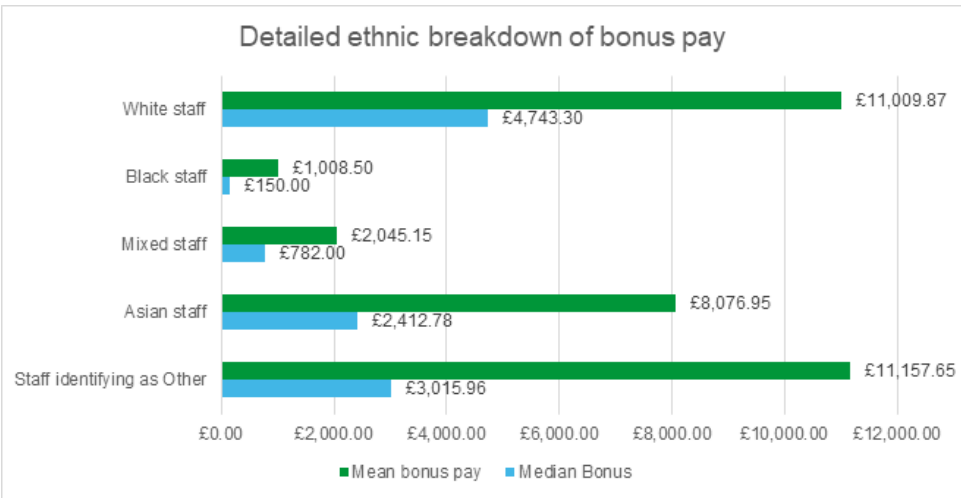
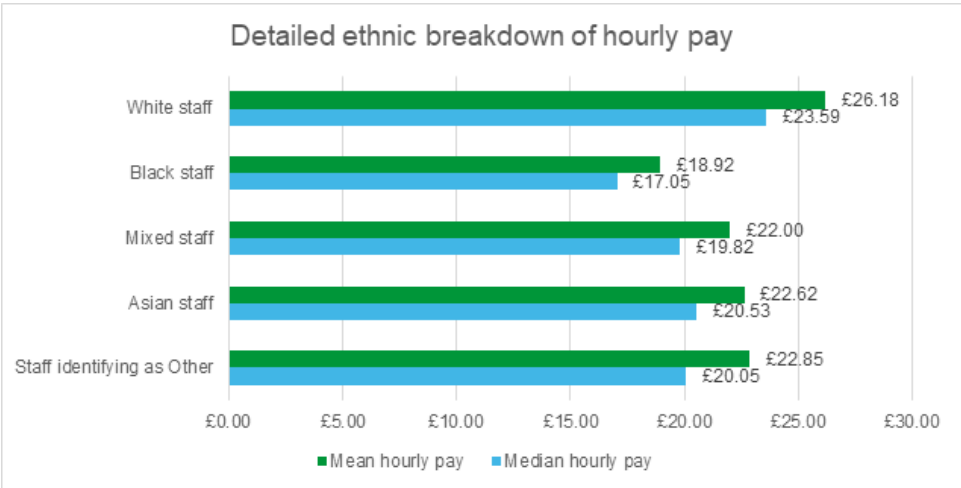
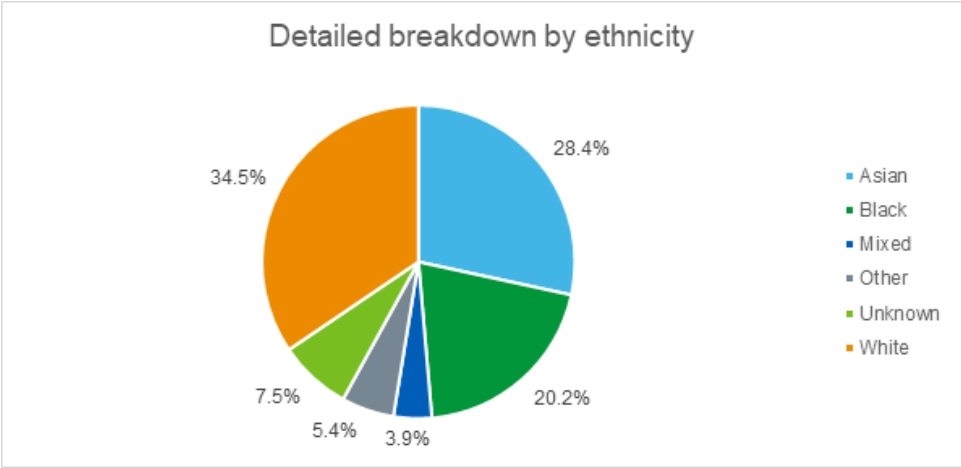
### Ethnicity Pay Gap Analysis – Detailed ethnic breakdown

It is important to recognise that the group referred to as "Black, Asian and minority ethnic" is not homogeneous. We recognise the need to ensure that the pay gap data analysis takes into account the significant differences in pay gaps between our staff from within the groups otherwise defined as Black, Asian and minority ethnic within this report. The analysis below therefore highlights the differences between the five groups as defined by the ONS, compared against the white staff group. Those who



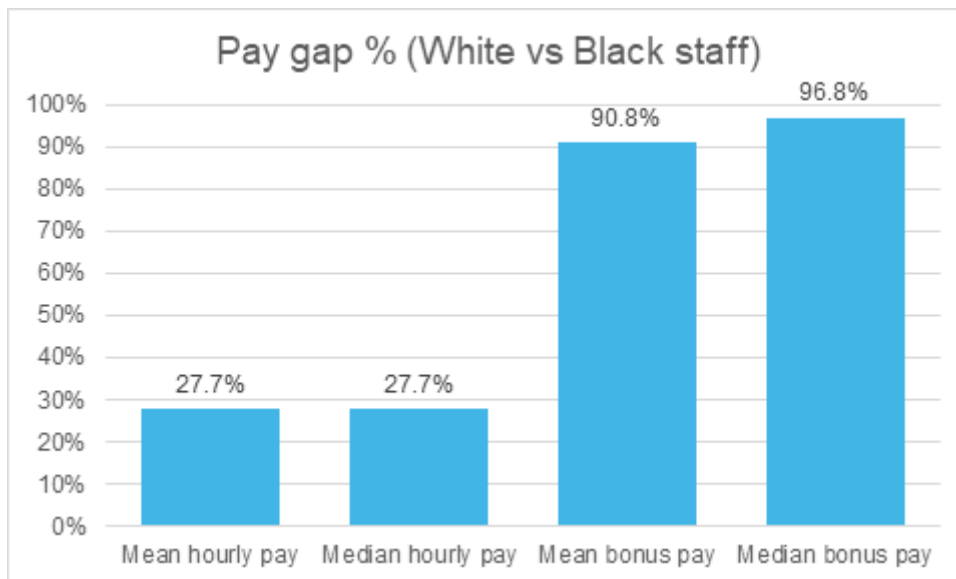
are “Blank” and “Unknown” are included in the chart showing the Trust’s makeup but not included in the analysis.

The order of the groups below are by the largest mean hourly pay gap, in descending order. For a full description of the demographic makeup of these groups, please see the end of the report.



### Black Staff

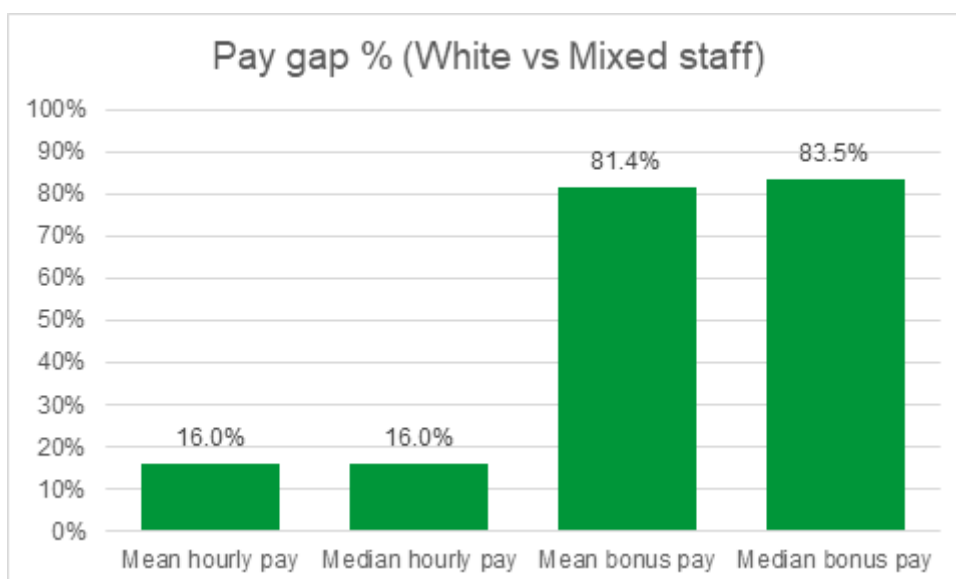
The Black staff group generally refers to our staff with Black African and Black Caribbean heritages. This group accounts for 20.2% of our workforce.



The pay gaps between white and Black staff are larger than the pay gaps for the Black, Asian and minority ethnic group as a whole, and reflect the starkest gap of any of the ethnic groups in this analysis.

### Mixed Staff

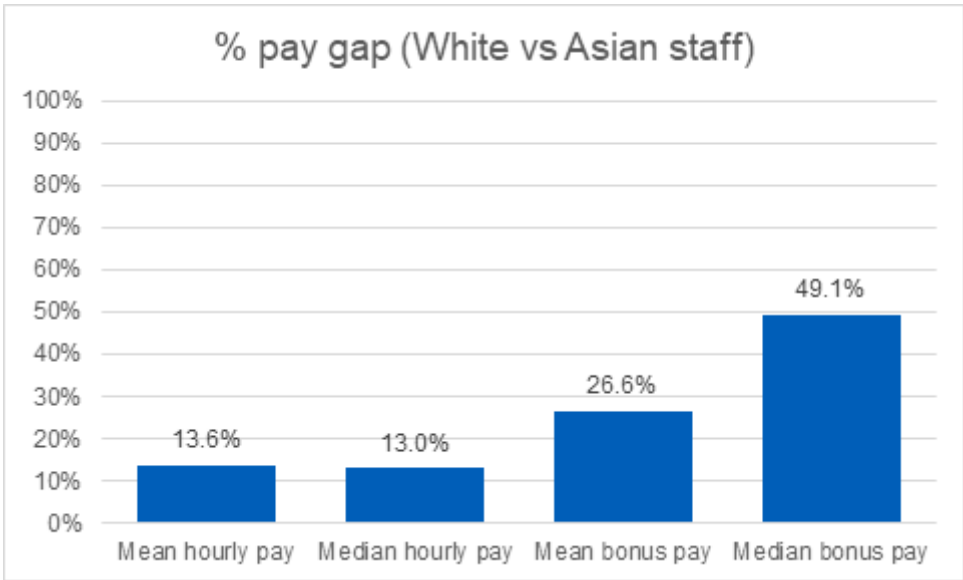
The Mixed staff group refers to those who identified with an ESR category beginning with the word "Mixed". The analysis did not include those in groups such as "White Mixed", "Black Mixed" or "Asian Mixed" as ESR counts them within their respective overall group. This staff group accounts for 3.9% of our workforce.



There was a comparatively smaller group of individuals identifying as being of mixed heritage than those identifying as white, Black, or Asian. However, the trends were similar, with this staff group experiencing a substantial pay gap in all areas, second only to Black staff.

Asian Staff

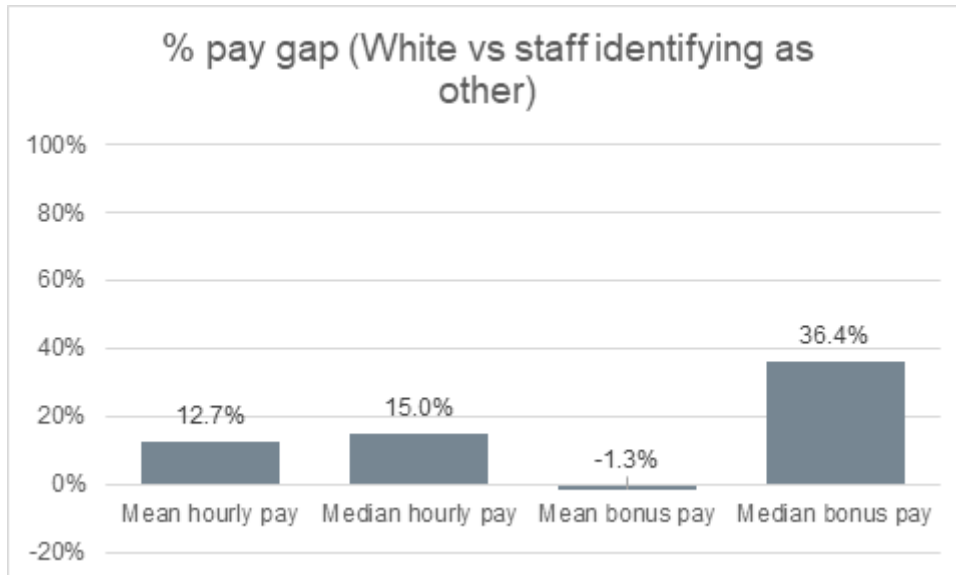
The Asian staff group refers to our staff from both a South Asian background (e.g. Indian, Pakistani and Bangladeshi staff), as well as those from an East Asian background (e.g. Chinese and Japanese staff) and South East Asian background (e.g. Filipino and Malaysian staff). Staff of Central Asian backgrounds are more likely to be included in the “Other” group as people from that background may record themselves as “Any Other Ethnic Group”. The Asian staff group accounts for 28.4% of our workforce; the next largest group after white staff.



There is at least a ten per cent gap between Asian staff and white staff for all of the types of pay examined in this report, but the size of the gap is smaller than those of Black backgrounds or those who identify as mixed. The mean hourly pay gap between white and Asian staff is less than the pay gap for Black, Asian and minority ethnic staff as a whole (13.6% for the former and 18.6% for the latter).

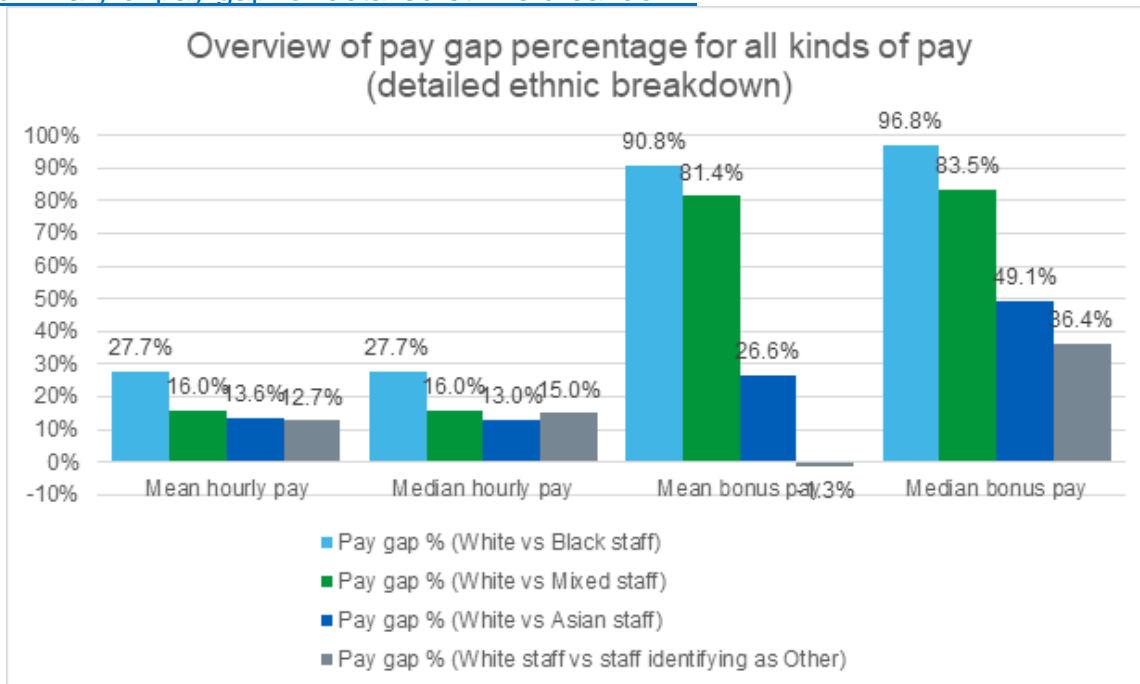
Other Ethnic Minorities Staff

The other ethnic minorities staff group refers to those who identified with an ESR category not otherwise covered (excluding “Not stated”) or the specific category “Any Other Ethnic Background”. This staff group accounts for 5.4% of the workforce.



This is the group with the smallest gap between their white counterparts, and in one case the mean bonus pay gap is negative, meaning people in this group earn more than their white colleagues. However, this is by a small percentage and only within this one measure.

[Summary of pay gap for detailed ethnic breakdown](#)



Within the groups considered Black, Asian and minority ethnic, it is our Black staff group who account for the largest pay gap with a difference of 27.7% for both mean and median hourly pay compared to our white staff group. The Mixed group has a larger gap than the Asian group, and both are larger than the group defined as other. However the data suggests that the pay gap disproportionately affects Black staff (Black African, Black Caribbean and Black British staff), who make up 20.2% of our total workforce.

This analysis has focused purely on examining the workforces as a whole and does not examine potential differences in staff group and professions. The cause of the pay gap may run deeper than simply under-representation in the higher pay bands.

### **Conclusions**

Our Workforce EDI work programme and the following key interventions will support improvement in this area to close the gap:

- Our three-year ESR Campaign will support improvement in the ethnicity disclosure rate and ensure that people choose the category with which they identify
- Working with the HR Admin team to review and amend blank ESR records to improve the accuracy of our data analysis
- Development and delivery of our race equity training for over 400 managers
- Delivery and promotion of toolkits to support understanding of race within the workplace
- A continued review of incidents of discrimination and abuse in our people processes relating to protected characteristics, including racism, and development of responsive, innovative approaches to reduce incidents
- Diverse interview panels (in race and gender) for all roles at Band 7 and above and all consultant roles
- Support and empowerment of our two Race Equality networks

We will also review the current programme of work outlined in light of this report to ensure that the recommendation take into account the analysis.

## Definition of categories used

**Blank** – the information was not entered onto ESR

**Not stated** – the person was asked and declined to provide a response (for example “Z Not Stated”)

**White** – people who self-described as the following:

- White - British
- White - Irish
- White - Any other White background
- White Northern Irish
- White Unspecified
- White English
- White Scottish
- White Welsh
- White Cornish
- White Cypriot (non specific)
- White Greek
- White Greek Cypriot
- White Turkish
- White Italian
- White Polish
- White ex-USSR
- White Kosovan
- White Albanian
- White Croatian
- White Serbian
- White Other Ex-Yugoslav
- White Mixed
- White Other European

**Black** – people who self-described as the following:

- Black or Black British - Caribbean
- Black or Black British - African
- Black or Black British - Any other Black background
- Black Somali
- Black Mixed
- Black Nigerian
- Black British
- Black Unspecified

**Asian** – people who self-described as the following:

- Asian or Asian British - Indian
- Asian or Asian British - Pakistani
- Asian or Asian British - Bangladeshi
- Asian or Asian British - Any other Asian background
- Asian Mixed
- Asian Punjabi
- Asian East African
- Asian Sri Lankan
- Asian Tamil
- Asian British
- Asian Caribbean
- Asian Unspecified
- Chinese
- Vietnamese
- Japanese
- Filipino
- Malaysian

**Mixed** – people who self-described as the following:

- Mixed - White & Black Caribbean
- Mixed - White & Black African
- Mixed - White & Asian
- Mixed - Any other mixed background
- Mixed - Black & Asian
- Mixed - Black & Chinese
- Mixed - Black & White
- Mixed - Chinese & White
- Mixed - Asian & Chinese
- Mixed - Other/Unspecified

**Other** – people who self-described as the following:

- 9 Not given (legacy category)
- Any Other Ethnic Group
- Other Specified

Countries of birth for people in this group included:

- Afghanistan
- Brazil
- Chile
- Egypt
- Georgia
- Indonesia
- Jordan
- Korea (both Democratic People's Republic of Korea and Republic of Korea)
- Lebanon
- Mexico
- Nepal
- Peru
- the Philippines
- Russia
- Singapore
- Tunisia
- Yemen

## Definitions for gender and ethnicity pay gap reports

**Gender pay gap:** The difference between the average earnings of men and women, expressed relative to men's earnings. This is a broad measure of the difference in the average earnings of men and women, regardless of the nature of their work.

**Equal pay:** A legal requirement that within an organisation, male and female staff members who are engaged in equal or similar work or work of equal value must receive equal pay and other workplace benefits. This definition is included for clarification purposes as this report relates to the gender pay gap, and not equal pay.

**Ethnicity pay gap:** This is the difference between the average earnings of employees who are indicated as white on ESR, and the average earnings of employees who are indicated to be from a Black, Asian and minority ethnic background. A positive figure indicates that white employees are paid more than Black, Asian and minority ethnic employees, whereas a negative figure indicates the opposite.

**Ordinary pay:** Basic pay, paid leave, including annual, sick, maternity, paternity, adoption or parental leave (except where an employee is paid less than usual or nothing because of being on leave), high cost area and other allowances, shift premium pay, and pay for piecework. This would include on call framework and banding supplement in Doctor's pay, for example.

**Bonus pay:** 'Bonus pay' is defined as any remuneration that is in the form of money, vouchers, securities or options and relates to profit sharing, productivity, performance, incentive or commission. For the purposes of this report, the relevant bonus pay relates to Consultant Clinical Excellence Awards (CEA) and Long Service awards, in line with guidance from NHS Employers.

**Inclusion Criteria:** A wider definition of who counts as an employee is used for gender pay gap reporting. This means staff who are employed under a contract of employment, a contract of apprenticeship or a contract personally to do work. This includes those under Agenda for Change terms and conditions, medical staff, very senior managers and Trust bank workers. Agency workers and people employed by another employer to provide services to the Trust but counted directly by the agency/employer. Apprentices at the Trust are employed by an apprentice training agency, therefore the contract of apprenticeship is with the agency. Doctors under honorary contracts are also excluded from calculations, but counted by their academic institution. Self-employed workers and contractors of the Trust are also excluded as it is not reasonably practicable to obtain the data to include within the calculations. This is in line with Regulation 2(3) of the Gender Pay Gap Information Regulations 2017.

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