

## Ethnicity Pay Gap Reporting (EPG) for the year 2023-2024

<b>Author</b>	Ash Ellis, Deputy Director for Leadership, Inclusion and OD
<b>Purpose of Report</b>	This report sets out an analysis of the Trust's Ethnicity Pay Gap Report for 2023-2024
<b>Executive Summary</b> <ul style="list-style-type: none"> <li>Ethnicity Pay Gap reporting is not a specified requirement under the Equality Act 2010 like the Gender Pay Gap. The Ethnicity Pay Gap is not the same as unequal pay. The Ethnicity Pay Gap is the difference between the average pay of ethnically diverse and white employees in an organisation.</li> <li>The aim of the ethnicity pay gap exercise is to assess the pay equality in BHFT, the balance of ethnically diverse and white colleagues at different paygrades, and how effective we are at nurturing and rewarding talent. All through our anti-racism lens.</li> <li>This is our second year of undertaking the ethnicity pay gap, and so we have our first annual comparison. This is the first year we have also applied an intersectionality lens to provide an insight into hidden gaps and greater inequalities that can exist, such as those between gender and ethnicity. White males have a £3.43 gap in their favour compared to black males. White males have a £4.25 gap in their favour compared to black females.</li> <li>BHFT's Median Ethnicity Pay Gap in 2023-2024 was 3.92% compared to 3.59% last year. This means that on average our white colleagues earn £0.71p more than our ethnically diverse colleagues, compared to £0.65p last year.</li> <li>2.38% (124) of our workforce are 'Not Stated' which needs more exploration to understand how this influences the pay gap, although it has reduced from 137 last year.</li> <li>There is a contrast between higher number of ethnically diverse staff and lower number of white staff particularly more evident in the lower middle quartile, it needs further exploration. Our ethnically diverse staff population decreases through higher pay quartiles 8a – Board.</li> <li>The Ethnicity Pay Gap data will be published on the Trust's website. In line with the Gender pay gap the information should remain on the Trust website for a period of at least three years, beginning with the date of publication.</li> <li>The reasons for the Ethnicity Pay Gap can be varied and complex. One of the major reasons for the pay gap is that there is a higher proportion of white colleagues across all quartiles of the workforce than ethnically diverse colleagues.</li> <li>The Trust is committed to continuously reviewing our systems, practices and processes to ensure we are reducing our Ethnicity Pay Gap where practically possible and will continue to work closely with our Diversity Steering Group, staff networks, Trade Unions and other stakeholders to deliver our anti-racism strategy.</li> </ul>	
<b>Recommendation</b>	The Board is asked to acknowledge the report and subsequent approach to develop actions.

## 1. Background

Although not yet mandated to do so, Berkshire Healthcare (BHFT) published its first Ethnicity Pay Gap report in 2023 alongside its mandated Gender Pay Gap report. We believe this is an important step towards greater equality, diversity and inclusion and effective anti-racism.

This is the second year we are reporting on this so we can begin to compare the figures with the previous year. This gives us a basis on which to build and ensure that we have equality in pay when it comes to ethnicity.

To try and compare with other organisations is a challenge as not many organisations undertake and/or publish their ethnicity pay gap, there is certainly a lack of NHS Trusts undertaking this review across the country.

## 2. Our Ethnicity Pay Gap Report

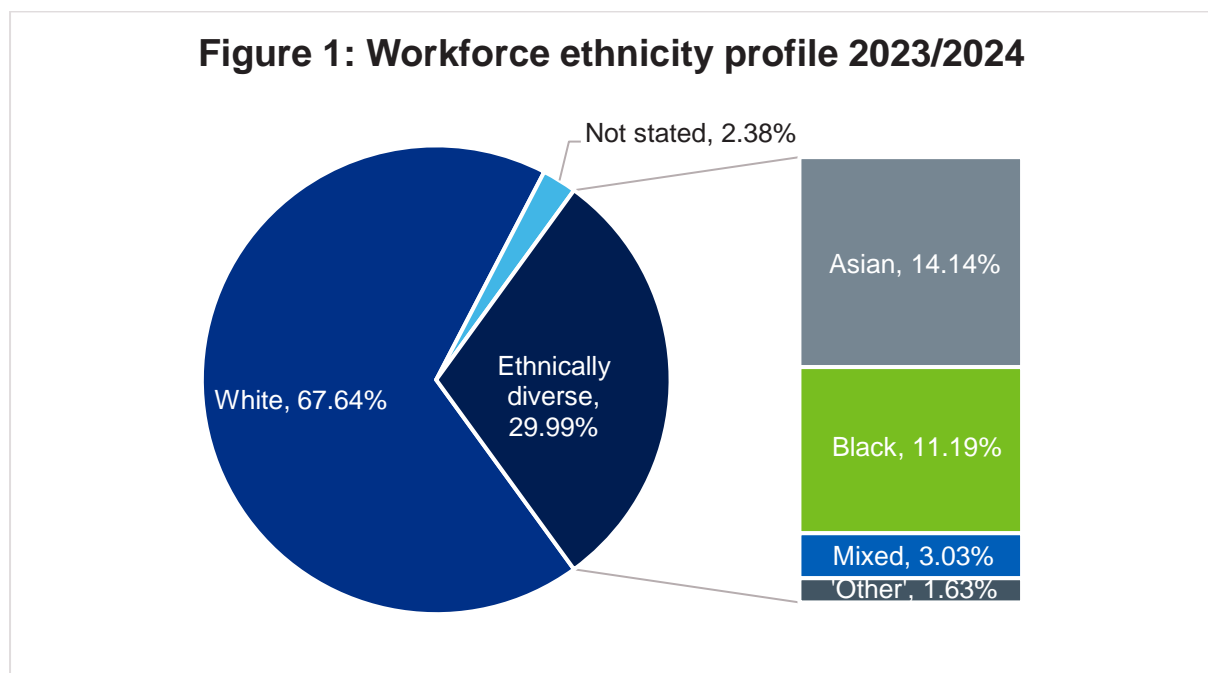
Our Ethnicity Pay Gap report for 2023/2024 contains a number of elements:

- The mean, and the median basic pay gap.
- An analysis of the pay gap across specific staff bands and quartiles.
- A comparison with the 2022/2023 reporting data.

The mean pay gap is the difference between the pay of all white and ethnically diverse employees when added up separately and divided by the total number of white and ethnically diverse employees in the workforce. The median pay gap is the difference between the pay of the middle white employee and the middle ethnically diverse employee, when all of the employees are listed from the highest to the lowest paid.

## 3. Our Ethnicity Profile – 2023/24

Data collected shows that our workforce consists of 5,219 people, 1,565 are ethnically diverse and 3,530 are White and 124 have not stated. If we break this down further 738 are Asian, 584 are Black, 158 are Mixed and 85 are Other. Compared to last year, we have 89 more black colleagues, 50 more Asian colleagues, 1 more mixed colleague and 110 more white colleagues. Figure 1a and 1b below shows our ethnicity profile.



**Figure 2: BHFT Workforce compared to Berkshire Population (from census data,2021)**

	Ethnically diverse	White	Not stated
<b>BHFT Workforce</b>	<b>29.99%</b>	<b>67.64%</b>	<b>2.38%</b>
<b>Berkshire Population</b>	<b>26.92%</b>	<b>73.08%</b>	<b>0</b>

	Asian or Asian British	Black or Black British	Mixed	Other Ethnic Groups	White	Not stated
<b>BHFT Workforce</b>	<b>14.14% (738)</b>	<b>11.19% (584)</b>	<b>3.03% (158)</b>	<b>1.63% (85)</b>	<b>67.64% (3530)</b>	<b>2.38% (124)</b>
<b>Berkshire Population</b>	<b>17.13%</b>	<b>3.33%</b>	<b>3.56%</b>	<b>2.42%</b>	<b>73.08%</b>	<b>0</b>

It's also useful to look at how representative our workforce is of our local population (Figure 2). to see how representative our workforce is of our local population. The data shows that our workforce is more ethnically diverse by 3.07% compared to overall Berkshire population. The data also shows that our workforce is made up of 5.44% less White population compared to overall Berkshire population. The further breakdown of ethnicity shows that we are underrepresented in our workforce population for Asian, Mixed and Other Ethnic Groups, and overrepresented for Black groups compared to the overall Berkshire population.

#### 4. Median and Mean Hourly Rate in BHFT

Figure 3: Ethnicity Pay Gap 2023/24

	2022/23		2023/24	
<b>Ethnicity</b>	Mean Hourly Rate	Median Hourly Rate	Mean Hourly Rate	Median Hourly Rate
<b>Ethnically diverse overall</b>	£20.76	£18.10	£20.82	£18.10
<b>Asian</b>	£21.66	£18.10	£21.74	£18.10
<b>Black</b>	£19.71	£18.47	£19.71	£18.51
<b>Mixed</b>	£20.05	£18.10	£20.03	£18.12
<b>Other</b>	£20.87	£16.84	£21.42	£17.72
<b>White</b>	£20.36	£18.75	£20.12	£18.81
<b>Not Stated</b>	£22.26	£21.30	£22.26	£21.02
<b>Difference</b>	-£0.40	£0.65	-£0.70	£0.71
<b>Pay Gap %</b>	-1.93%	3.59%	-3.36%	3.92%

The mean hourly pay for white employees is £0.70 less than ethnically diverse employees, which is a mean pay gap in favour of ethnically diverse employees. This needs further exploration to understand the reasoning behind this. However, when breaking down ethnically diverse grouping further, we can see that white employees mean hourly pay is £0.41 more than Black employees, this has positively decreased from last year by £0.24.

The median pay for white employees is £0.71 more than ethnically diverse employees, which is a median pay gap in favour of white employees. This means that, on average, white colleagues earn slightly more than those colleagues who are from an ethnically diverse group. However, if we break ethnically diverse down further, we can see that white employees median pay is £0.30 higher than Black employees, this is a slight increase from last year of £0.02.

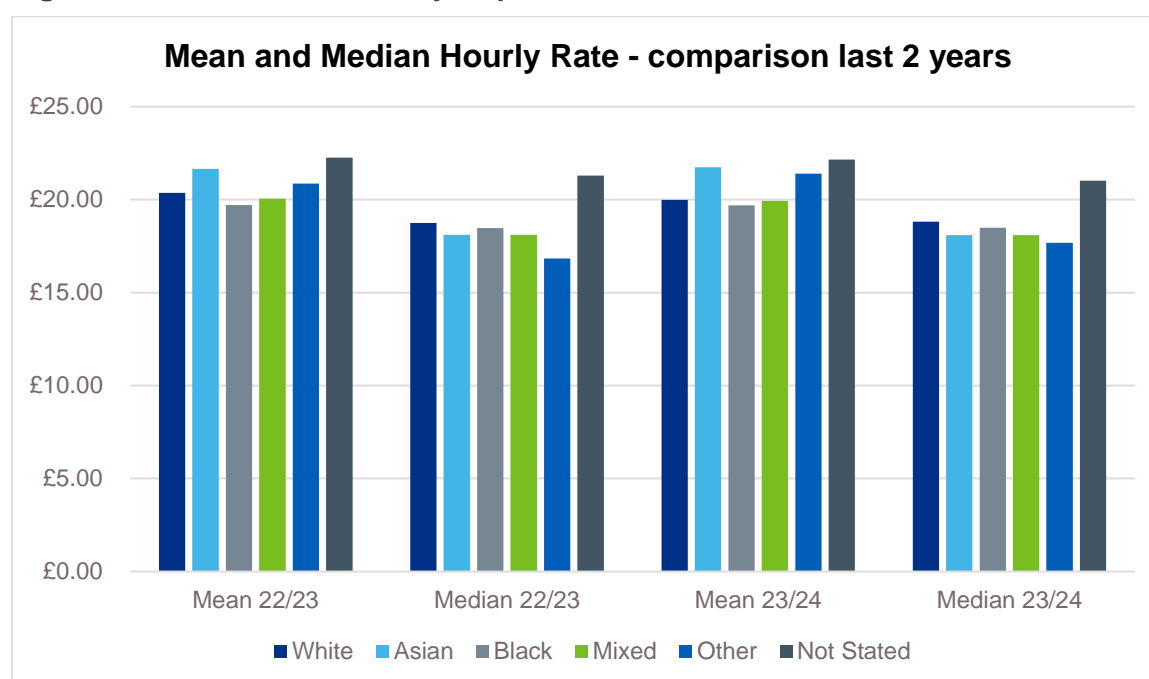
More exploration is needed to understand the 'not stated' population as this is 2.38% (124) of the workforce, and this group on average earns up to £2.92 more an hour than our ethnically diverse grouping in terms of median pay.

From a purely statistical standpoint, the median is a more accurate measure as it is not skewed by very low hourly pay or very high hourly pay i.e. such as medical staff who are on much higher salaries than other professional groups. However, we know in the gender pay gap for example the very high paid people tend to be men, and the very low paid people tend to be women, and the mean paints an important picture of the pay gap because it reflects this issue. It is therefore good practice to use both the mean and the median when analysing or reporting on the pay gap.

## Benchmarking

According to the census 2021 data, Black, African, Caribbean or Black British employees earned less (£13.53) median gross hourly pay than White employees (£14.35), amounting to £0.82, which has been consistent since 2012. Our gap is slightly better than this national average with our White colleagues earning £0.30 more than our Black colleagues per hour.

**Figure 4: Median and Mean Pay Gap**



From Figure 4, we can see that the mean has decreased for White, Black and Mixed colleagues but increased for Asian and other colleagues. The median has decreased for all groups compared to last year.

## 5. Ethnicity Profile by pay band and quartiles in BHFT 2023-2024

All BHFT staff, except for medical staff, Board members and very senior managers are paid on the National Agenda for Change (AfC) pay, terms and conditions of service. The terms and conditions set out band structures and pay for all employees to ensure transparency, fairness and equal treatment for all.

Figure 5a below details the number and percentage of ethnically diverse and white staff within each pay band. We can see more white staff as percentages increase in bands 8b, 8c, 8d and 9, and less ethnically diverse staff in bands 8b, 8c, 8d and 9, as ethnically diverse percentages decrease. Pay band 9 is representative of just 1 ethnically diverse individual.

**Figure 5a: Ethnicity Profile by Pay Band and Pay Quartile**

Grouped Pay Scale	Ethnically diverse		White		Not Stated		Total
	Headcount	%	Headcount	%	Headcount	%	Headcount
Ad-Hoc	0	0.00%	2	66.67%	1	33.33%	3
Apprentice	2	22.22%	7	77.78%	0	0.00%	9
Band 2	121	48.99%	118	47.77%	8	3.24%	247
Band 3	196	30.11%	446	68.51%	9	1.38%	651
Band 4	201	24.51%	601	73.29%	18	2.20%	820
Band 5	260	39.82%	378	57.89%	15	2.30%	653
Band 6	275	29.07%	653	69.03%	18	1.90%	946
Band 7	257	25.83%	715	71.86%	23	2.31%	995
Band 8a	90	23.02%	291	74.42%	10	2.56%	391
Band 8b	33	19.64%	131	77.98%	4	2.38%	168
Band 8c	9	12.86%	60	85.71%	1	1.43%	70
Band 8d	3	8.57%	30	85.71%	2	5.71%	35
Band 9	1	10.00%	9	90.00%	0	0.00%	10
Board	3	23.08%	9	69.23%	1	7.69%	13
Medical & Dental	114	54.81%	80	38.46%	14	6.73%	208
Grand Total	1565	29.99%	3530	67.64%	124	2.38%	5219

**Figure 5b: Ethnicity Profile by Pay Band and Pay Quartile – further breakdown**

	Asian		Black		Mixed		Not Stated		Other		White		Total
Pay Scale	Headcount	%	Headcount	%	Headcount	%	Headcount	%	Headcount	%	Headcount	%	Headcount
Ad-Hoc	0	0.00%	0	0.00%	0	0.00%	1	33.33%	0	0.00%	2	66.67%	3
Apprentice	1	11.11%	0	0.00%	1	11.11%	0	0.00%	0	0.00%	7	77.78%	9
Band 2	51	20.65%	59	23.89%	8	3.24%	8	3.24%	3	1.21%	118	47.77%	247
Band 3	92	14.13%	72	11.06%	23	3.53%	9	1.38%	9	1.38%	446	68.51%	651
Band 4	107	13.05%	55	6.71%	25	3.05%	18	2.20%	14	1.71%	601	73.29%	820
Band 5	102	15.62%	119	18.22%	24	3.68%	15	2.30%	15	2.30%	378	57.89%	653
Band 6	116	12.26%	114	12.05%	28	2.96%	18	1.90%	17	1.80%	653	69.03%	946
Band 7	106	10.65%	115	11.56%	23	2.31%	23	2.31%	13	1.31%	715	71.86%	995
Band 8a	51	13.04%	28	7.16%	9	2.30%	10	2.56%	2	0.51%	291	74.42%	391
Band 8b	13	7.74%	9	5.36%	9	5.36%	4	2.38%	2	1.19%	131	77.98%	168
Band 8c	3	4.29%	4	5.71%	1	1.43%	1	1.43%	1	1.43%	60	85.71%	70
Band 8d	2	5.71%	1	2.86%	0	0.00%	2	5.71%	0	0.00%	30	85.71%	35
Band 9	1	10.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	9	90.00%	10
Board	2	15.38%	0	0.00%	1	7.69%	1	7.69%	0	0.00%	9	69.23%	13
Medical & Dental	91	43.75%	8	3.85%	6	2.88%	14	6.73%	9	4.33%	80	38.46%	208
<b>Grand Total</b>	<b>738</b>	<b>14.14%</b>	<b>584</b>	<b>11.19%</b>	<b>158</b>	<b>3.03%</b>	<b>124</b>	<b>2.38%</b>	<b>85</b>	<b>1.63%</b>	<b>3530</b>	<b>67.64%</b>	<b>5219</b>

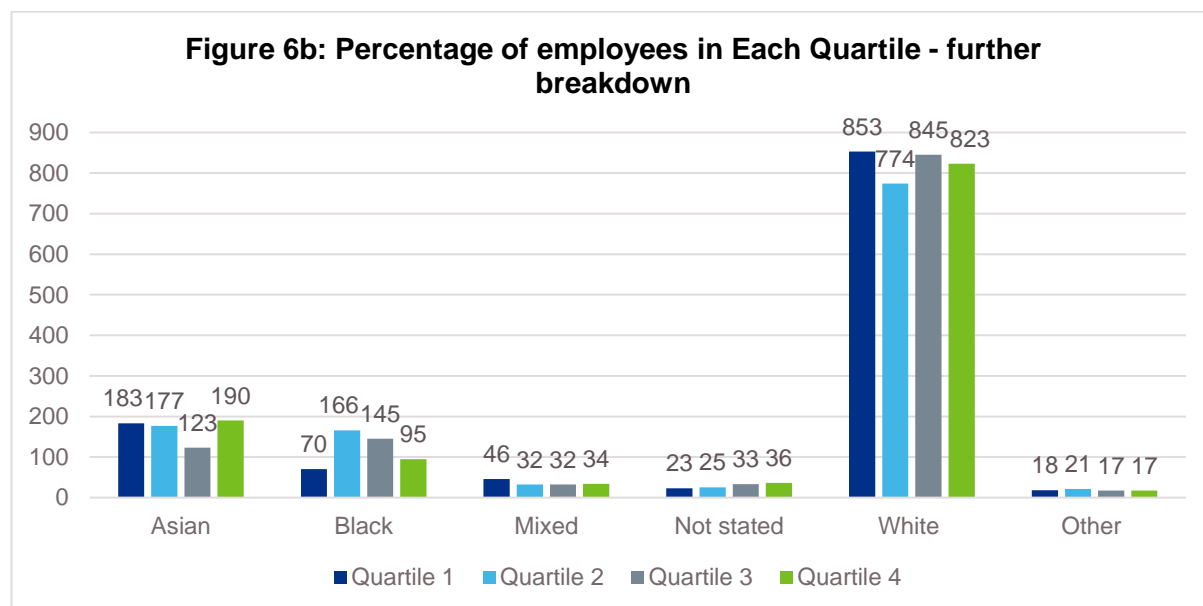
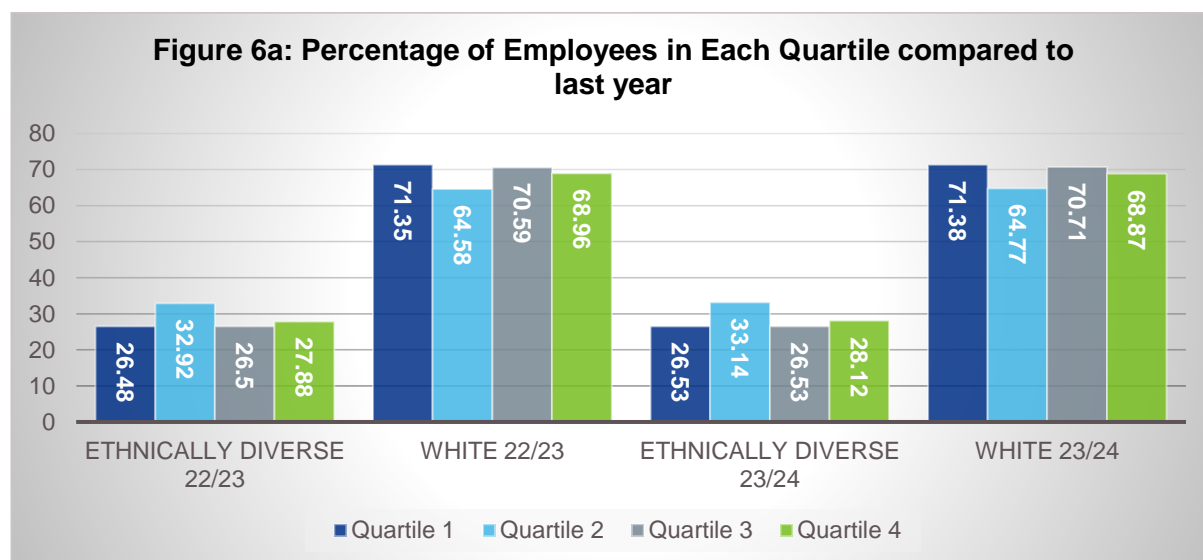
For Asian colleagues, they are overrepresented in band 2, and the number of staff decreases in bands 8b to Board, when comparing with the Asian workforce overall of 14.14%.

For Black colleagues, they are overrepresented twice over in Band 2, and the number of staff decreases in bands 8a up to Board.

For Mixed colleagues they are broadly represented across most bands compared to overall workforce numbers, however they are overrepresented at 8b, and then they are underrepresented at 8c, 8d, and 9. Overrepresented at Board .

For White colleagues they are underrepresented at Band 2, and band 5, but the overrepresentation then increases each band from band 6 upwards to Board.

Figure 6 below demonstrates that one of the major reasons for the pay gap is that there is a higher proportion of White staff in more senior bands within the Trust. As highlighted in Figure 1, ethnically diverse staff represent 29.99% of our workforce yet only 8.57% of ethnically diverse staff make up the staffing in Band 8d; white staff represent 67.64% of our workforce but are overrepresented in band 8d (85.71%), and band 9 (90%) the highest paying bands. This means that ethnically diverse staff are underrepresented by 21.42%% in 8d and White staff overrepresented by 18.07%.



With 29.9% of our workforce being ethnically diverse and 67.64% of our workforce being white, we have to remember that 2.38% of the workforce are 'not stated'. We will continue to try and improve data quality and also explore the contrast between higher number of ethnically diverse staff and lower number of White staff in the lower middle quartile (2).

## 6. Ethnicity breakdown of staff who have received bonus pay – Medical Clinical Excellence Awards

Figure 7: Ethnicity breakdown of bonus payments in BHFT

	2022/2023		2023/2024	
	Count of Ethnicity	%	Count of Ethnicity	%
<b>Ethnically diverse</b>	38	53.52%	50	58.82%
<b>White</b>	32	45.07%	34	40.00%
<b>Not Stated</b>	1	1.41%	1	1.18%
<b>Further breakdown of 'ethnically diverse'</b>			<b>Further breakdown of 'ethnically diverse'</b>	
<b>Asian</b>	32	45.07%	44	88.00%
<b>Black</b>	2	2.82%	1	2.00%
<b>Mixed</b>	1	1.41%	2	4.00%
<b>Other</b>	3	4.23%	3	6.00%
<b>Grand Total</b>	71	100%	85	100%

**Bonus Pay**, the data presented in Figure 7 shows that 18.82% more ethnically diverse colleagues received bonus pay compared to our white colleagues, with the majority of these being our Asian colleagues, making up most of our medical workforce.

The bonus data relates only to Clinical Excellence Awards (CEA) paid to all eligible substantive Consultant Medical Staff who have been in post for at least a year – 85 in the group. However, it is important to note the context and challenges associated with the bonus pay system:

- CEA's are not a one-off annual performance payment. Instead, it relates to a nationally agreed contractual payment which forms part of the salary package for Consultant Medical Staff.
- This system is prescribed by the British Medical Association (BMA) and NHS Employers – the Trust adopts a nationally agreed system.
- Many of the CEA's that are still being paid out are historic and will be maintained until the recipient's retirement.

In 2022-23 the Trust proposed equal bonus payments for all eligible Consultants in the Trust, irrespective of whether they were full-time or part-time without any pro-rata calculations. This would have helped eliminate any pay gap in the year. However, this proposal was rejected by the Local Negotiating Committee and BMA guidance (for pro-rata payment) was required to be implemented. Additionally, as stated above, there is an on-going annual legacy bonus payments made in relation to CEA points awarded prior to 2018 that some of the Consultants will continue to benefit from until retirement.

## 7. Intersectionality – Introducing for 2024.

Intersectionality is key to achieving pay equity because it recognises that individuals can experience discrimination and inequality based on the intersection of multiple identities, such as race, gender, and age.

Further work to understand the data from an intersectional point of view is needed to provide an insight into hidden gaps, such as those that can exist between gender and ethnicity.



**Figure 8 – Gender and Ethnicity of staff in post**

	Ethnicity						
Gender	Asian	Black	Mixed	Not Stated	Other	White	Grand Total
Female	561 (10.77%)	407 (7.82%)	133 (2.56%)	97 (1.86%)	64 (1.23%)	3070 (58.64%)	4332
Male	177 (19.96%)	177 (19.96%)	25 (2.82%)	27 (3.04%)	21 (2.37%)	460 (51.90%)	887
Grand Total	738 (14.14%)	584 (11.20%)	158 (3.03%)	124 (2.38%)	85 (1.63%)	3530 (67.63%)	5219

The above table in figure 8 shows us the make-up of the workforce split across gender and ethnicity. For Other and Not stated there are almost treble the number of males for females.

**Figure 9 – Intersectional (Gender and Ethnicity) Mean and Median pay in BHFT**

	Male		Female		
Ethnicity	Mean	Median	Mean	Median	Median Difference
Asian	£28.38	£22.82	£20.97	£18.78	£4.04 in favour of male
Black	£20.80	£19.39	£19.33	£18.57	£0.82 in favour of male
Mixed	£23.35	£20.06	£19.91	£18.10	£1.96 in favour of male
Other	£27.54	£22.82	£21.14	£19.80	£3.02 in favour of male
White	£24.18	£22.82	£20.83	£19.16	£3.66 in favour of male
Not Stated	£28.54	£21.80	£22.34	£22.27	£0.47 in favour of female

The total headcount for ethnicity is lower than gender because of an absence of data due to those ‘not stated’.

The median hourly rate of pay for all males is higher than that of all females, regardless of its intersection with ethnicity. This picture is consistent with our understanding of the current gender pay gap data. There is variance in the hourly rates between gender and ethnicity when examined through each collected ethnic identity.

The highest difference is over £4 in median pay in favour of Asian males over Asian females, and a difference of nearly £8 more in mean hourly rate. The next biggest gap is in favour of Mixed males compared to Mixed females who earn £3 more in median hourly pay, this is also the same gap for those ‘Other’ colleagues in favour of males.

In comparing White and Black colleagues, White females have a £0.59 gap in their favour compared to Black females. White males have a £3.43 gap in their favour compared to Black males. White males have a £4.25 gap in their favour compared to Black females. Black males have a £0.23 gap in their favour compared to White females.

**Figure 10 – Intersectional distribution of gender and ethnicity by pay quartiles**

	Quartile 1 (lowest pay)	Quartile 2 (Lower mid pay)	Quartile 3 (upper mid pay)	Quartile 4 (highest pay)
White Male	41.21%	43.44%	53.26%	63.72%
White Female	73.95%	63.24%	86.48%	82.70%

<b>Ethnically diverse Male</b>	58.79%	56.56%	46.74%	36.28%
<b>Ethnically diverse Female</b>	27.01%	34.44%	24.99%	25.36%

When considering pay quartiles through the intersectional lens of gender and ethnicity:

- White males increase up through the pay quartiles.
- White females remain at similar levels through the quartiles but dip in quartile 2.
- Ethnically diverse males decrease up through the quartiles.
- Ethnically diverse females remain at similar levels through the quartiles but increase in quartile 2.

## 8. Actions to close the gender pay gap.

### What has been our focus?

- Inclusive Recruitment: Explored sharing interview questions in advance and expanded interview question bank to improve standards of hire around inequality and anti-racism competence and experience.
- Pay and Reward: Explored opportunities within national guidance for Local clinical excellence awards (LCEA) to ensure the reduction of the pay gap year on year, while remaining constrained by NHS Terms and Conditions. Continued joint meetings discussing matters around pay and reward.
- Learning and Development: Developed leadership programme embedding inclusion and offered inclusion-based webinars. Created a career progression tip webinar to support minoritised colleagues at lower bands in applying for higher positions.
- Culture and Engagement: Shared pay gap reports and action plans with staff networks. Introduced an Equality Network Steering Group to enhance cross-collaboration and joint working.
- Ways of Working: Explored competency-based progression approaches, developed Trust behaviour framework, and launched an Anti-Racism workstream to address recruitment, progression, retention, and conditions.
- Exploration of Women's Network: Launched Women's Network in March to address gender inequality, support peer-to-peer support, and discuss work-life balance, flexible working, women's health, and promotion opportunities.

Actions to improve the Trust's ethnicity pay gap align with the Trust's strategic ambitions and priorities, in particular making Berkshire HealthCare a great place to work for our people. To meet this goal our pay gap priorities for the year ahead include:

- We will continue to explore ways to enhance inclusivity into recruitment and onboarding through.
- We will develop actions to improve the experience of minoritised colleagues through our reasonable adjustment quality improvement project.
- We will continue to offer education and engagement opportunities to better socialise the importance of inclusion and how we can all play a better role in taking action.
- We will support and work with our staff networks to collaborate on needs based interventions.
- We will develop the EDI dashboard for staff to encourage localised action planning and improvements at a team level.

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