



**Royal Devon
University Healthcare**
NHS Foundation Trust

**Royal Devon University Healthcare NHS
Foundation Trust**

**Ethnicity Pay Gap Report
(2024)**

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1. INTRODUCTION

Unlike Gender Pay Gap reporting, there is no requirement to report on or submit Ethnicity Pay Gap data under the Equality Act (2010).

As part of Royal Devon's ongoing commitment to inclusion, and in line with our Trust values, we have created this report to ascertain if there is a difference between the average pay for our colleagues' dependant on ethnicity.

The data in this report is based on a snapshot taken on 31st March 2023. Throughout this report, when data is labelled "2024" this refers to the year of publishing our pay gap reports (so the data is from 2023).

As this is the first year this report has been completed, we do not have previous years data for comparison. Much of the value of this report will be in being able to make future year-on-year comparisons, both within the Trust and against national benchmarking.

2. EXECUTIVE SUMMARY

As the recording of ethnicity status is not mandated on ESR, some colleagues will be missing from the data, with 8.52% of staff not having an ethnicity recorded on ESR¹. Our Workforce Race Equality Standard (WRES) report outlines the prevalence of unknown data across various staff groups and bandings. To improve completion rates in line with the level of national benchmarking (4.5% unknown as of 2022²) an ongoing and multifaceted approach will be required. This approach should focus on fostering an environment where staff feel safe enough to record this data. It should also involve ensuring that staff understand the purpose of collecting this information, who will have access to it, and their right to choose not to disclose this personal information. It should also involve ensuring that staff understand the purpose of collecting this information, who will have access to it, and their right not to disclose this personal information.

This Ethnicity Pay Gap Report contains a number of elements:

- Trust and national ethnicity profile.
- Mean ethnicity pay gap.
- Median ethnicity pay gap.

The median average pay gap is the most reliable and widely used measure of pay equality. When the pay gap is measured using the mean average, this allows "outliers" at either end to distort the measure.

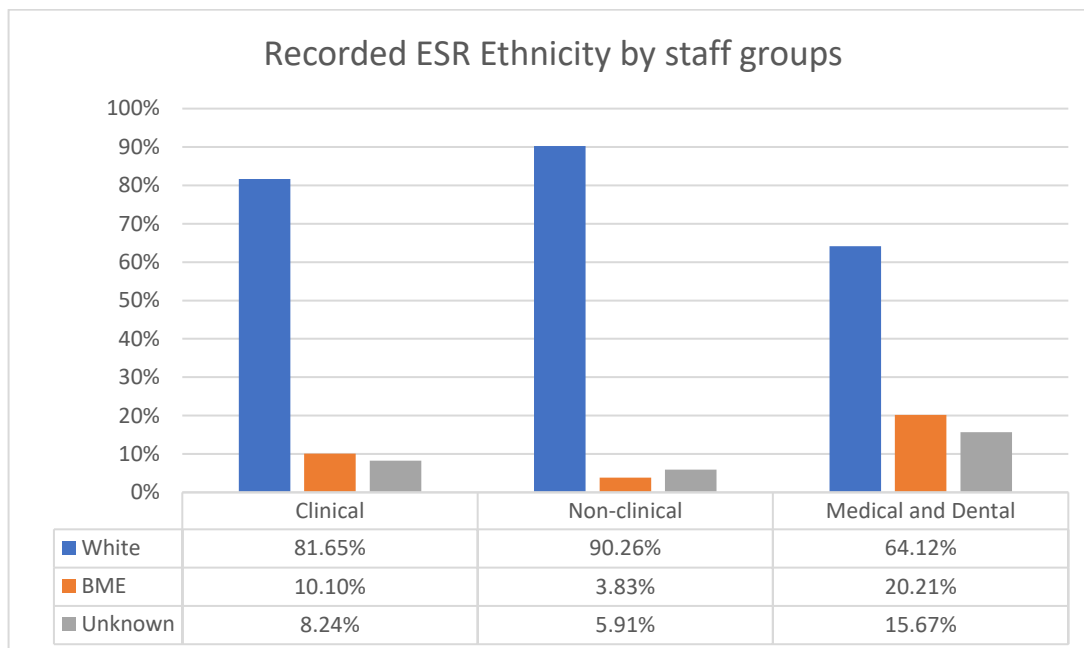
¹ Workforce Race Equality Standards (WRES) Report 2023

<https://www.royaldevon.nhs.uk/media/z3lhs2qu/royal-devon-wres-report-2023.pdf>

² <https://www.england.nhs.uk/long-read/nhs-workforce-race-equality-standard-wres2022-data-analysis-report-for-nhs-trusts/#wres-indicator-1>

3. TRUST AND NATIONAL ETHNICITY PROFILE

Please note the below is taken from our latest WRES (2023) report.



From ESR data, staff with a Black or Minority Ethnicity (BME) represent 9.74% of total workforce population, however 8.52% do not have ethnicity recorded. This is in contrast to only 6.79% of respondents from the latest anonymous staff survey data identifying as coming from a Black and Minority Ethnic background.

We also know that there is an under-representation of Black and Minority Ethnic Staff at pay bands 8a to VSM.

	Total BME Staff	Band 8a to VSM BME Staff
All staff	9.74%	3.76%
Clinical staff	10.10%	4.90%
Non-clinical staff	3.38%	2.52%

According to Census 2021 data 3.6% of the Devon population are from a Black and Minority Ethnic background and this varies by region:

Local authority	BME population
East Devon	2.64%
Exeter	9.70%
Mid Devon	2.15%
North Devon	3.01%
South Hams	2.48%
Teignbridge	2.32%
Torridge	1.75%
West Devon	2.18%

The latest ONS national Ethnicity Pay Gap data³ is from 2022:

Ethnicity	Median Hourly Rate	Pay Gap %
White	£14.35	
Asian or Asian British	£14.83	-3.3%
Black, African, Caribbean or Black British	£13.53	5.7%
Mixed or Multiple ethnic groups	£15.38	-7.2%
Other ethnic group	£15.00	-4.5%

Nationally, Black, African, Caribbean or Black British employees earned less than White employees with a pay gap of 5.7%, this has been the case since 2021. All other ethnicities earn more on average than their White counterparts. An important factor in this analysis is the country of birth, as UK born Black, African, Caribbean or Black British employees earned more (£15.18) when compared with UK-born White employees (£14.26). There are other key factors such as occupation, qualifications, geography, age and sex that have a significant impact on the pay gap.⁴

4. DATA

Ethnicity	Mean Hourly Rate	Median Hourly Rate
White	£18.72	£16.15
BME	£20.11	£17.24
Unknown	£18.12	£15.41
Difference	-£1.39	-£1.09
Pay Gap %	-11.81%	-17.83%

Note that a (-) pay gap % indicates where BME colleagues average pay is higher than their White colleagues.

The median pay gap for the Trust is above the 2021 national data and is over double the Ethnicity Pay Gap for 2023. Although staff with an unknown ethnicity have a mean and median hourly rate lower than both White and Black and Minority Ethnic colleagues, if those are combined with Black and Minority Ethnic colleagues, the number remains higher than White colleagues (operating under the assumption that those who do not disclose ethnicity are more likely to be from a Black or Minority Ethnic background).

Ethnicity	Mean Hourly Rate	Median Hourly Rate	Median Pay Gap %
White	£18.72	£16.15	
Asian or Asian British	£20.38	£17.38	-7.08%
Black or Black British	£20.29	£18.15	-11.02%
Mixed or Multiple ethnic groups	£20.86	£17.22	-6.21%
Other ethnic group	£19.12	£16.84	-4.10%
Unknown	£18.12	£15.42	4.73%

³<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/ethnicitypaygapsrawpaygaps>

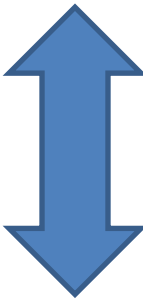
⁴<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/articles/ethnicitypaygapsingreatbritain/2012to2022>

We can see from the above data that the only ethnicity grouping who earn less than White employees is those with an unknown ethnicity recorded onto ESR.

As we know from our Gender Pay Gap reporting, pay gaps are often driven by consultant pay. Below is a comparison of the pay gap when we remove consultants from the analysis. In line with other pay gap reporting, we can see that removing consultants from the analysis does reduce the pay gap for both the mean and the median average by **6.07%** and **6.09%** respectively.

	RDUH Excluding Consultants			
	White Staff Hourly Rate	BME Staff Hourly Rate	Unknown Ethnicity Staff Hourly Rate	Pay Gap %
Mean average	£17.25	£18.24	£17.01	-5.74%
Median average	£15.33	£17.13	£15.04	-11.74%

If we examine the pay gap by quartiles, the below tables show the pay gap both for all employees and when we remove consultants from the analysis, please note quartile 4 contains the highest paid employees:

All Royal Devon employees			Lowest Paid  Highest Paid	Excluding consultants		
Quartile	Mean	Median		Quartile	Mean	Median
Q1	mean	0.27%		Q1	mean	0.27%
	median	0.00%			median	0.00%
Q2	mean	-3.99%		Q2	mean	-3.99%
	median	-4.88%			median	-4.88%
Q3	mean	0.54%		Q3	mean	0.54%
	median	0.76%			median	0.76%
Q4	mean	-1.85%		Q4	mean	0.41%
	median	-5.91%			median	0.00%

As expected, removing consultants removed the pay gap at quartile 4. Black and Minority Ethnic consultants make up **13.78%** of consultants, a higher representation than the **9.74%** of all staff from a Black and Minority Ethnic background (as per WRES 2023 data). Quartile 2 is the area where the pay gap is significant.

The below illustrates the pay gap within each Agenda for Change (AfC) band, which does not include medical staff, Non-Executive Directors or Very Senior Managers:

Banding	Median pay gap
Band 1	-2.42%
Band 2	-14.98%
Band 3	0.00%
Band 4	3.98%
Band 5	-2.86%
Band 6	9.41%
Band 7	2.64%
Band 8 - Range A	0.00%
Band 8 - Range B	0.00%
Band 8 - Range C	0.00%
Band 8 - Range D	
Band 9	
Other	12.21%

Band 1 is now closed to new applicants, the large pay gap at band 2 is driven by roles in Additional Clinical Services and Estates and Ancillary. Further analysis into this pay gap would be helpful for targeted action.

We can see that there is also a large pay gap at band 6 (and to a lesser extent band 7) where Black and Minority Ethnic staff earn less than their White counterparts, this fits in with our WRES data where Black and Minority Ethnic staff feel there is a difficulty in career progression at that level (these bandings will include Nursing and Midwifery registered staff where Black and Minority staff are over represented compared to other staff groups – although this pay gap is not present at Band 5 where most Nursing and Midwifery staff sit).

There is missing analysis in the above table for bands 8d and 9 due to a lack of data (no Black and Minority Ethnic representation at the time of the snapshot). We know from our Model Employer data that there is an under representation of Black and Minority staff at senior levels (band 8a to VSM) which will be a focus for the Trust.

5. NEXT STEPS

We can see that there is further work to do in order to create a culture in which staff feel safe disclosing their sensitive personal information such as ethnicity, as we know that those who do not consistently have poorer experiences. As this report has found, those who have not disclosed their ethnicity are the only group that have a pay gap compared to White colleagues.

Further analysis looking into the impact of factors such as location, time in post, specific role, and other protected characteristics etc, especially at bandings where the pay gap is highest would help provide a more targeted approach for the Trust to reduce the pay gap between all colleagues.

Our action planning includes targeted programmes to support the development of our existing Black and Ethnic Minority staff into more senior roles, retaining existing talent, as well as attracting more diverse candidates to our Trust. To enable true change there needs to be targeted and strategic changes to our recruitment, retention and attraction strategy at Royal Devon.