

Ethnicity Pay Gap 2017/18

1. Background

In 2018 the Trust was for the first time required to produce figures for the gender pay gap. This showed that for the year 2016/17 men were paid on average £3.07 an hour more than their female counterparts, and also that female staff were under-represented in the upper pay quartile.

Figures for 2017/18 are currently being collated and although not yet required to do so, we have also collected the same figures for ethnicity. This will likely be a requirement in future years so looking at the figures now could help us pre-emptively identify if there is a pay gap between white and Black, Asian and minority ethnic (BAME) employees.

2. What we are reporting on

The figures are produced in the same format as the gender pay gap figures, and so we have calculated:

- The mean basic pay gap
- The median basic pay gap
- The proportion of White and BAME staff in each quartile pay band

The mean pay gap is the difference between the pay of all white and BAME employees when added up separately and divided by the total number of white and BAME employees in the workforce.

The median pay gap is the difference between the pay of the middle white employee and the middle BAME employee, when all of the employees are listed from the highest to the lowest paid.

Though part of the gender pay gap reporting, this report does not include figures for the bonus pay gap i.e. the difference in how many white and BAME staff receive bonus payments.

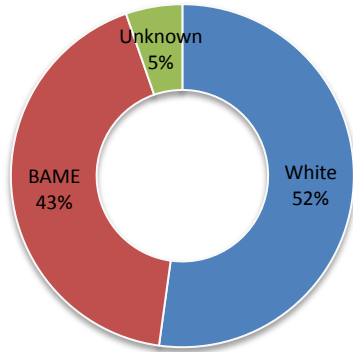
3. Who is included?

All staff who were employed by St George's and on full pay on the snapshot date (31st March 2018) are included. Bank staff who worked a shift on the snapshot date are included. Consultant Additional Programmed Activities (APA's) are included, as are Clinical Excellence Awards (CEA's). The calculations exclude overtime pay and expenses.

Employees who are on half or nil absence or maternity leave, hosted staff (e.g. GP Trainees) and agency staff have not been included.

4. Trust Ethnicity Profile (based on headcount)

At the snapshot date St George's University Hospitals NHS had 4,580 white staff and 3,370 BAME staff. There are also 468 staff whose ethnicity is unknown.



Whilst the Trust has a 97% complete set of ethnicity data for substantive staff, there are a number of gaps for bank staff which the pay gap data includes. The data set for 2017-18 is therefore only 95% complete.

5. Ethnicity Pay Gap

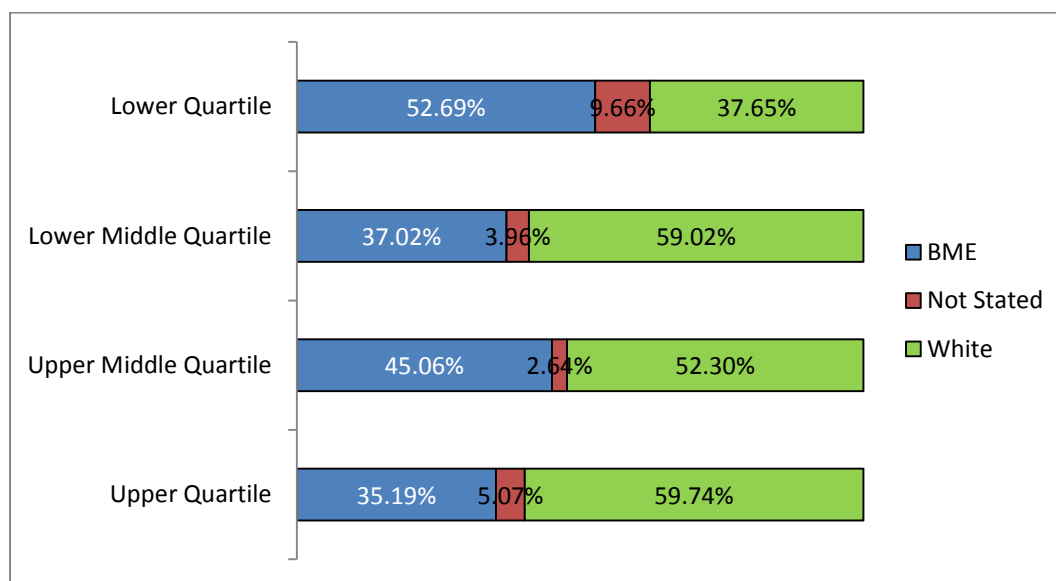
Ethnicity	MEAN Hourly Rate	MEDIAN Hourly Rate
White	21.46	18.71
BME	19.09	17.63
Difference	2.37	1.08
Pay Gap %	11.04%	5.77%

The mean hourly pay for white staff is £2.37 higher than that of BAME staff, which is a gap of **11.04%**. The median pay for white staff is £1.08 higher than BAME staff, which is a gap of **5.77%**.

The median figure is usually considered the more representative figure, however what it does not take into account is small numbers of higher paid employees that could be skewing the data. The mean figure does highlight this, so although at 5.77% the median pay gap is the more favourable to the organisation, it is the mean pay gap of 11.04% that needs to be examined in more detail.

6. Pay Quartile Split

6.1. By Quartile



Given that BAME staff comprise 42.49% of our workforce, they are clearly over-represented in the lower pay quartile and under-represented in the upper pay quartile. However there is fair representation in the upper middle pay quartile, which potentially offsets the imbalance in the upper pay quartile – without this we may have had a much larger pay gap.

6.2. By grade

Grade	No. of White staff	No. of BAME staff	White Hourly Rate	BAME Hourly Rate	Difference	Gap
Band 1	3	12	£10.49	£10.35	£0.14	1.32%
Band 2	463	766	£11.44	£11.56	-£0.13	-1.10%
Band 3	259	316	£11.88	£11.93	-£0.05	-0.44%
Band 4	312	262	£13.25	£12.88	£0.37	2.79%
Band 5	818	632	£15.89	£17.13	-£1.24	-7.80%
Band 6	744	695	£19.31	£21.27	-£1.96	-10.14%
Band 7	741	321	£22.87	£23.18	-£0.31	-1.34%
Band 8a	259	96	£26.57	£27.20	-£0.64	-2.39%
Band 8b	84	23	£31.89	£31.02	£0.86	2.71%
Band 8c	49	7	£36.08	£35.67	£0.41	1.12%
Band 8d	29	3	£43.50	£40.45	£3.05	7.00%
Band 9	12	1	£51.76	£47.79	£3.97	7.66%
VSM	13	2	£67.60	£73.78	-£6.18	-9.14%
Medical	710	464	£36.41	£34.44	£1.97	5.41%

If we break the figures by band it shows that the pay gap is in favour of BAME staff in bands 2, 3, 5, 6, 7, 8a, and VSM. In fact BAME staff in the VSM group are paid on average £6.18 more than their white counterparts, however BAME staff only make up 7.5% of this group and so are vastly under-represented and this does not make much difference to the overall pay gap.

6.3. By different ethnic groups

Number of staff:

Asian/Asian British – 1,609 (18.33%)

Black/Black British – 1,380 (15.72%)

Chinese/Other – 421 (4.8%)

Mixed Race – 320 (3.65%)

Not Stated – 468 (5.33%)

White/White British – 4,580 (52.18%)

Ethnicity	Mean Hourly Rate	Median Hourly Rate
White/White British	21.46	18.71
Asian/Asian British	20.62	19.11
Difference	0.84	-0.40
Pay Gap	3.93%	-2.13%
Black/Black British	16.36	13.96
Difference	5.10	4.75
Pay Gap	23.78%	25.40%
Chinese/Other	22.31	21.07
Difference	-0.85	-2.35
Pay Gap	-3.96%	-12.57%
Mixed Race	18.95	16.30
Difference	2.52	2.41
Pay Gap	11.72%	12.89%

Looking at the figures broken down by the different ethnic groups can help identify if any groups are particularly affected. There is a small pay gap between Asian/Asian British staff (which is actually in favour of this group is looking at the median figure) who comprise of 18.33% of the workforce.

But it is the second largest BAME group – Black/Black British – which has the largest pay gap at 23.78%. This means that white employees get paid on average £5.10 an hour more than black employees.

A recent report in the news¹ stated that black doctors and nurses in the NHS are paid much less than white doctors and nurses, however when we break the figures down by staff group we can see that in St George's this is not the case, in that our medical and dental staff have the smallest pay gap (0.16%):

Staff Group	No. of White/White British staff	No. of Black/Black British staff	White/White British Hourly Rate	Black/Black British Hourly Rate	Difference	Gap
Add Prof Scientific and Technic	327	84	£19.16	£16.38	£2.78	14.51%
Additional Clinical Services	282	321	£12.67	£12.24	£0.43	3.39%
Administrative and Clerical	925	343	£17.41	£13.30	£4.10	23.58%
Allied Health Professionals	537	30	£20.48	£18.14	£2.34	11.42%
Estates and Ancillary	159	57	£13.17	£12.56	£0.62	4.69%
Healthcare Scientists	161	48	£23.67	£22.98	£0.69	2.90%
Medical and Dental	711	34	£36.49	£36.43	£0.06	0.16%
Nursing and Midwifery Registered	1478	453	£19.97	£19.83	£0.14	0.70%

Whilst there is a pay gap between white doctors and nurses and black doctors and nurses, it is less than 1%. However there is a large gap in the admin and clerical staff group, where white employees get paid on average £4.10 more than black employees comprising a pay gap of 23.58%. This is primarily where the overall pay gap lies, so it is worth looking at the pay differences of this staff group by pay band:

Band	No. of White/White British staff	No. of Black/Black British staff	White/White British Hourly Rate	Black/Black British Hourly Rate	Difference	Gap
Band 2	190	101	£11.25	£10.66	£0.59	5.23%
Band 3	137	83	£11.59	£11.52	£0.07	0.58%
Band 4	229	90	£13.21	£12.75	£0.46	3.48%
Band 5	89	22	£15.35	£16.08	-£0.73	-4.75%
Band 6	61	13	£18.82	£19.62	-£0.80	-4.23%
Band 7	72	16	£21.83	£21.66	£0.17	0.78%
Band 8a	50	11	£26.44	£26.61	-£0.18	-0.67%
Band 8b +	92	3	£42.43	£34.17	£8.26	19.46%

¹ <https://www.theguardian.com/society/2018/sep/27/black-medics-in-nhs-paid-thousands-less-than-white-medics>

It is clear that the pay gap is primarily because of severe under-representation of black staff at senior level, with only 3 at band 8b or above. Considering that Black/Black British staff are our second most populous BAME group, and that admin and clerical staff make up 66% of all roles at 8c and above, this will be where a large part of our ethnicity pay gap comes from.

7. Conclusion

We have already identified and reported in the Workforce Race Equality Standard (WRES) that BAME staff are under-represented at the higher bands, so it should come as no surprise that we have a pay gap in favour of white staff.

However the data suggests that the pay gap disproportionately affects Black/Black British staff, who make up 16% of our total workforce. The implication is that the cause of the pay gap may run deeper than simply under-representation in the higher pay bands.

8. Recommendation

The Trust is about to launch its WRES strategy. The findings of this report should assist in ensuring that the Trust's WRES strategy and action plan is targeted at helping address the ethnicity pay gap.

It is therefore recommended that the Committee support more detailed analysis of the position, with the results informing the content of the WRES strategy and action plan.