

Ethnicity Pay Gap Report

March 2022

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**Cambridge
University Hospitals**
NHS Foundation Trust

**Together
Safe
Kind
Excellent**

Message from Roland Sinker, Chief Executive Officer and Aloma Onyemah, Interim Director of Equality, Diversity and Inclusion

We are pleased to share the first Ethnicity Pay Gap report for Cambridge University Hospitals NHS Foundation Trust, which is a welcome addition to workforce information that enables the Trust to monitor diversity and inform decision making regarding workforce inequalities. Voluntarily publishing this report illustrates our commitment to transparency, fairness and inclusion to all of our staff, patients and the wider community.

At the end of March 2022, the mean ethnicity pay gap was 1.7% in favour of staff reporting as white and there was no median ethnicity pay gap. When looking further we can see that in all pay bands above band 8b or over a salary of £61,000 there is a pay gap in favour of staff reporting as white.

Actions are identified at the end of this report, which are aligned to our Workforce Race Equality Standard (WRES) agenda, inclusive of the Race Disparity Ratio and our Model Employer targets. We look forward to further detailed reviews that will explore this subject in greater detail, including intersectional analysis of other protected characteristics, analysis of data relating to specific ethnic groups and further work to engage with staff and our networks on this subject to understand experience.

The Trust will continue to build on the good progress already made in promoting diversity and equality within the workforce and living our values of Together – Safe, Kind and Excellent.

Introduction

Our strategy - CUH Together includes a priority to support our staff, with one of the five people priorities being inclusion - *we will seek to drive out inequality, recognising that we are stronger when we value difference and inclusion.*

In 2017 the UK government 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, however the Government has confirmed they will not be legislating at this time.

CUH is voluntarily and proactively producing an ethnicity pay gap report as part of our approach to improve inclusion and create a fair workplace. In the absence of a mandatory framework for ethnic pay gap reporting, the Trust has aligned with the approach in place for gender pay gap reporting to highlight any inequalities. The Trust is committed to advancing equality of opportunity, regardless of sex, race, religion or belief, age, marriage or civil partnership, pregnancy/maternity, sexual orientation, gender reassignment or disability. On this basis, the Trust has a clear policy of paying employees equally for the same or equivalent work, regardless of their ethnicity (or any other characteristic set out above). The Trust has a largely White workforce, like many other NHS organisations, with 67% of the workforce reporting as white, and 28% reporting to be ethnically diverse.

A benchmarking report published by PwC in 2021 highlights that a high level analysis of the ethnicity pay gap can mask disadvantage for specific ethnic groups. We plan to build on our work on ethnicity pay gaps to include further analysis of individual ethnic groups including to identify any disparities amongst the White ethnicity groups.

Definitions and Scope

The reference group to measure the ethnicity pay gap are those staff who have reported as White or White British.

There are six measures that have been included in the ethnicity pay report, which aligns with the Gender Pay Gap report for CUH. These are:

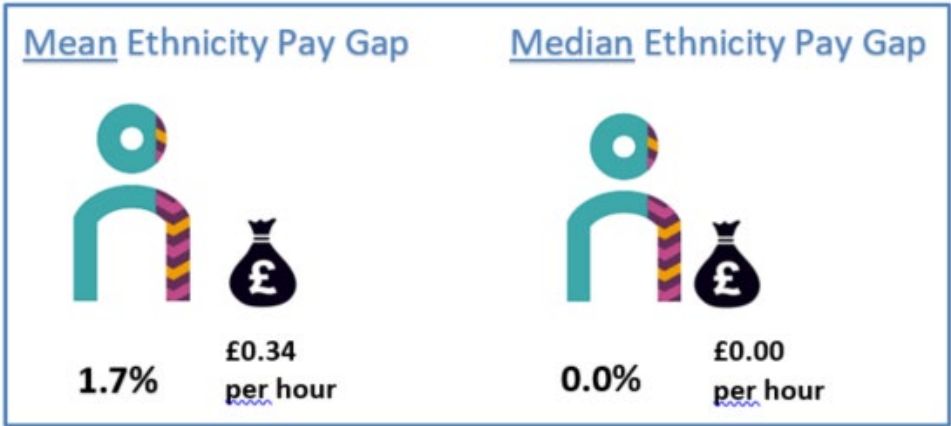
- The mean ethnicity pay gap
- The median ethnicity pay gap
- The mean ethnicity bonus gap
- The median ethnicity bonus gap
- The proportions of white and ethnic minority groups who received a bonus
- The proportions of white and ethnic minority in each quartile pay bands.

The ethnicity pay gap is defined as the difference between the mean or median hourly rate of pay that white and ethnic minority colleagues receive. The mean pay ethnicity gap is the difference between average hourly earnings of white and ethnic minority groups, i.e. the hourly gap divided by the average for white colleagues equates to the mean ethnicity pay gap. The median pay gap is the difference between the midpoints in the ranges of hourly earnings of white and ethnic minority staff. It takes all salaries in the sample, lines them up in order from lowest to highest, and picks the middle-most salary.

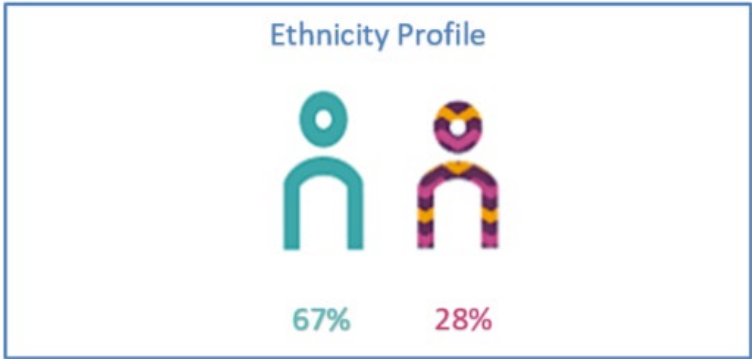
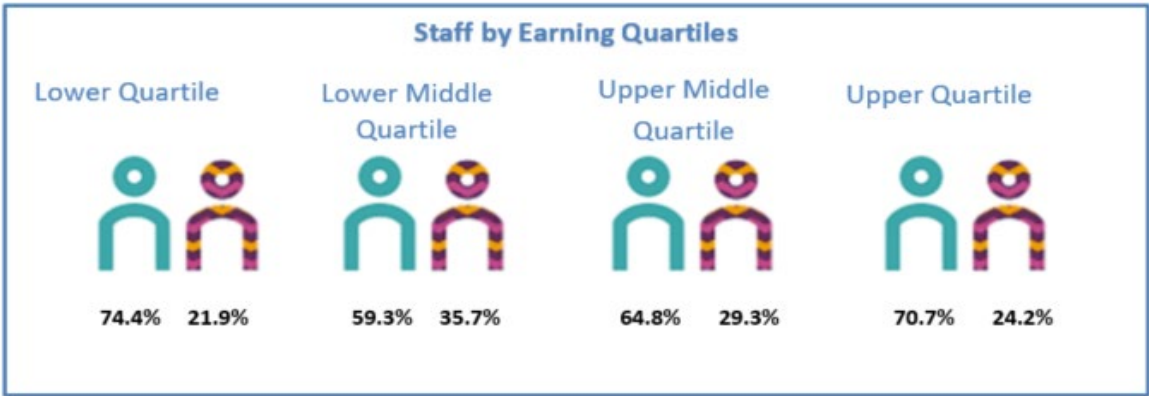
The report is based on rates of pay as at 31 March 2022 and bonuses paid in the year 1 April 2021 – 31 March 2022. It includes all workers in scope at 31 March 2022. Staff employed under a contract of employment including those under Agenda for Change terms and conditions, medical staff, and senior managers.

Only staff employed by the Trust at the snapshot date of 31 March 2022 are included in this report. This includes the Trust's bank staff. Staff working in a hosted organisation (eg Cambridge University Health Partners), but employed by CUH are included in this report. Any contractors are not included. All data is taken from the Electronic Staff Record system.

CUH Ethnicity Pay Gap and Pay Quartiles by Ethnicity



At CUH, there is a mean ethnicity pay gap of 1.7% in favour of staff reporting as white and zero median ethnicity pay gap. The Staff Earnings by Quartiles helps to explain the gap against the overall CUH ethnicity profile. In the lowest quartile, there is approximately a 7% difference, the lower middle quartile has an 8% difference, the upper middle quartile has a 2% difference and the upper quartile has a 4% difference. The Trust employ significantly more staff reporting as White or White British than ethnic minority groups in each quartile.



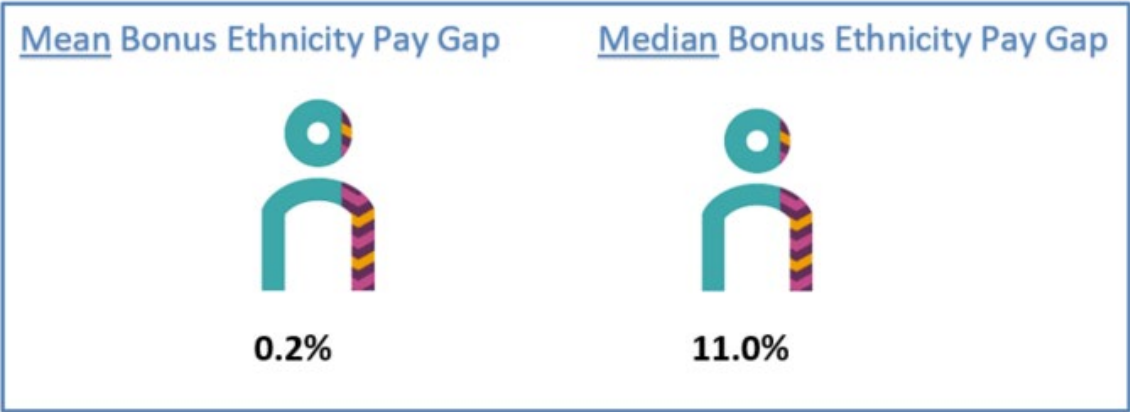
Bonus Pay – Ethnicity Pay Gap Bonus Pay

Within the Ethnicity pay Gap Regulations, ‘bonus pay’ means any remuneration that is in the form of money relating to profit sharing, productivity, performance, incentive or commission. For Bonus Pay, all staff are included that were employed as at the snapshot date. The regulations set out that bonus pay does not include ordinary pay, overtime pay, redundancy pay or termination payments. Waiting list initiatives have been considered in as overtime pay and are therefore excluded.

For the purpose of Ethnicity Pay Reporting, at CUH only the medical staff groups are in receipt of bonus payments. Clinical Excellence Awards (CEAs) payments are regarded as ‘bonus pay’. The Clinical Excellence Awards (CEA) scheme is intended to recognise and reward those Consultants who perform ‘over and above’ the standard expected for their role. Awards are given for quality and excellence, acknowledging exceptional personal contributions towards the delivery of safe and high quality care to patients and to the continuous improvement of NHS.

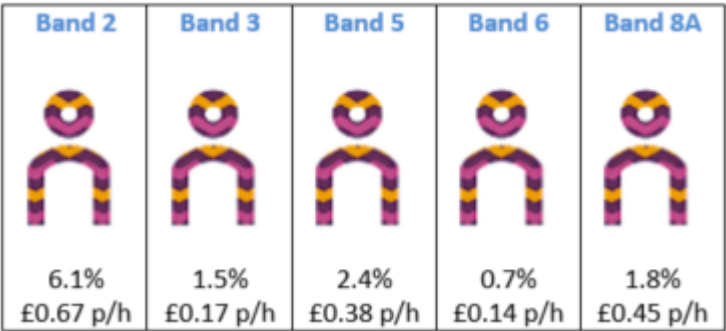
A review undertaken in 2018 by Medical staffing highlighted that BME staff were less likely to apply for CEAs. The Trust will continues to monitor the number of employees who both apply and are granted Clinical Excellence awards by ethnicity and other protected characteristics. Work continues to explore the reasons behind the difference in applications and the actions required to address this issue.

Ethnicity	Employees Paid Bonus	Total Employees	% Receiving Bonus
1. White	145	655	22.14%
2. BME	53	260	20.38%
3. Not stated/Blank	8	311	2.57%

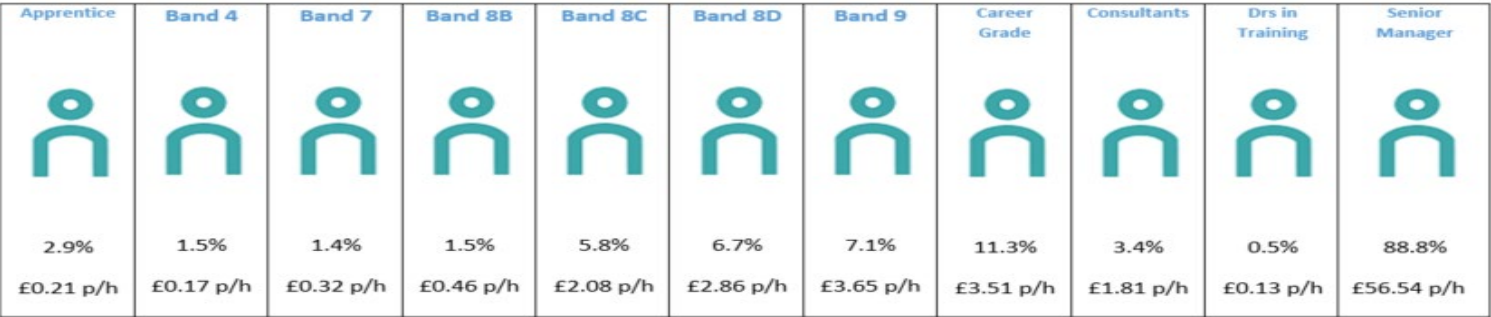


Understanding the Ethnicity Pay Gap – further analysis

Below is the ethnicity pay gap by band. In bands 2,3,5,6 and 8A, there is pay gap in favour of ethnic minority staff.



In pay bands 4,7, 8b-9, career Grade, Consultants and Doctors in Training and Apprentices, there is a pay gap in favour of staff reporting as white.



Reducing the Ethnicity Pay Gap

This is the first CUH Ethnicity Pay gap report, which has been produced as part of CUH's commitment to improve inclusion and create a fair workplace. CUH has a mean ethnicity pay gap of 1.7% and no (0%) median ethnicity pay gap. The primary drivers of this gap are the higher proportion of ethnic minority staff in lower banded roles, a higher representation of white staff in the upper quartile and medical workforce.

The Trust is committed to ensuring equity within the workforce and on this basis, has identified a number of actions to take forward which are aligned to actions identified in the WRES action plan for 22/23:

- Continue to offer support to Consultants to encourage Clinical Excellence Award applications from across the workforce.
- Equitable and inclusive talent management and clinical career progression to encourage development and opportunities across the workforce.
- Continue to promote the CUH Race Equality and Cultural Heritage network, which includes invited high profile guest speakers.
- Exploration of a range of positive actions to increase the number of ethnic minority staff in senior positions to better balance the ethnicity mix at senior levels of the organisation and ensure proportionate representation in decision making.
- Developing inclusive leaders and managers, and providing education to support them in commitment to antiracism.
- Undertake an annual review of ethnicity split across all pay bands as part of the annual Public Sector Equality Duty process and take action where appropriate.
- Continue to scrutinise Board diversity as noted in the Workforce Race Equality Standard (WRES) action plan and ensure executive search organisations provide assurance regarding diversity.