

Ethnicity Pay Gap Report (March 2025)

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Introduction

Unlike gender pay gap reporting, there is no requirement to report on, or submit ethnicity pay gap data; however, it is expected that these will become mandated should the proposed Equality (Race and Disability) Bill be introduced.

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

The data in this report is based on a snapshot taken on 31st March 2024. Throughout this report, when data is labelled "2025" this refers to the year of publishing our pay gap report (so the data is from 2024).

The pay gap is different from equal pay. Equal pay is covered by the Equality Act 2010, and requires all employers to pay the same for work of equal value

Executive summary

As the recording of ethnicity status is not mandated on the Electronic Staff Record (ESR), some colleagues will be missing from the data, with 10.83% of staff not having an ethnicity recorded on ESR, Our Workforce Race Equality Standard (WRES)¹ report outlines the prevalence of unknown data across various staff groups and bandings. To improve our data in line with national benchmarking (4.4% unknown as of 2024²) there needs to be an ongoing and multifaceted approach to foster an environment where staff feel safe enough to record this data, while ensuring staff have an understanding of what this data is used for, who will have access and being able to exercise their right not to disclose this personal information.

Our WRES reporting shows that staff from a Black and Minority Ethnic (BME) background represent 14.33% of the total workforce

This ethnicity pay gap report contains a number of elements:

- Mean ethnicity pay gap
- Median ethnicity pay gap
- Quartile distribution
- Bonus pay gap
- Comparison to previous year
- Source of pay gap

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

Please note this year's report may look different due to the introduction of an ethnicity pay gap dashboard on ESR, this change will help us maintain a consistent approach in subsequent reports.

¹ Workforce Race Equality Standards (WRES) Report 2024

<https://www.royaldevon.nhs.uk/media/3axdf1b5/rduh-wres-report-2024.pdf>

² <https://www.england.nhs.uk/publication/nhs-workforce-race-equality-standard-2023-data-analysis-report-for-nhs-trusts/>

Average hourly rates

The below data is expressed relative to the earnings of White staff members (including White British and White other):

BME hourly rate is		
6.98% HIGHER (mean)	3.57% HIGHER (median)	
Unknown ethnicity hourly rate is		
2.53% LOWER (mean)	4.46% LOWER (median)	
Pay quartiles		
How many ethnicities are in each quarter of the employer's payroll.		
Top quartile		
78.70% White	12.47% BME	8.83% Unknown
Upper middle quartile		
78.25% White	12.51% BME	9.23% Unknown
Lower middle quartile		
74.66% White	11.83% BME	13.50% Unknown
Lower quartile		
85.35% White	6.18% BME	8.47% Unknown

The above data shows that both the mean and median hourly rate is higher for BME staff when compared to White staff and lower for staff of an unknown ethnicity.

The below pay gaps are expressed relative to the earnings of White British staff members, a negative number means that the average earnings of that ethnic grouping are higher than White British staff.

Ethnic origin grouping	Mean Hourly Rate	Median Hourly Rate	Median Pay Gap %
White British	£19.80	£17.32	
White Other	£20.42	£17.68	-2.13%
Asian or Asian British	£20.92	£18.13	-4.71%
Black or Black British	£21.11	£18.13	-4.71%
Mixed or Multiple ethnic groups	£23.20	£19.10	-10.31%
Other ethnic group	£22.68	£18.14	-4.77%
Unknown	£19.37	£16.73	4.46%

As we can see from the above groupings staff with an unknown ethnicity are the only group with a lower mean and median hourly rate compared to White British staff. Those of mixed or multiple ethnic groups have the highest average hourly rate.

Bonus Pay

BME bonus pay is		
0.80% HIGHER (mean)	16.84% HIGHER (median)	
Unknown ethnicity bonus pay is		
46.25% LOWER (mean)	41.68% LOWER (median)	
Who receives bonus pay		
1.49% of White staff	1.51% of BME staff	0.53% of unknown staff

It should be noted that no bonuses are paid within the Trust as part of pay packages; however, for the purposes of pay gap reporting, ACCIA³ payments, which are part of a national scheme are classified as a bonus. Please note that due to the small numbers of unknown staff receiving bonus pay, these figures should be interpreted with caution.

³<https://www.gov.uk/government/organisations/advisory-committee-on-clinical-impact-awards>

Comparison with previous year

Mean average for hourly rate of pay

	2024	2025	% change
BME	£20.11	£21.26	5.72%
White	£18.72	£19.88	6.20%
Unknown	£18.12	£19.37	6.90%

Median average for hourly rate of pay

	2024	2025	% change
BME	£17.24	£18.14	5.22%
White	£16.15	£17.52	8.48%
Unknown	£15.41	£16.74	8.63%

Quartiles

Quartile	% change from 2024		
	White	BME	Unknown
Top	-3.59%	1.71%	1.88%
Upper middle	-1.72%	0.04%	1.67%
Lower middle	-3.50%	1.15%	2.32%
Lower	-2.01%	0.96%	1.04%

Pay gap differences - mean

	2024	2025	% change
BME	-7.43%	-6.98%	-0.45%
Unknown	3.20%	2.53%	-0.67%

Pay gap differences - median

	2024	2025	% change
BME	-6.75%	-3.57%	-3.18%
Unknown	4.58%	4.46%	-0.12%

We can see that all ethnic groupings have increased their mean and median average hourly rate compared to last year. Both mean and median pay gaps have reduced for both BME and Unknown groups compared to White colleagues.

Source of pay gap

Excluding consultants

As we know from our gender pay gap reporting, pay gaps are largely driven by consultant pay, below is a comparison of the pay gap when we remove consultants from the analysis.

Royal Devon (excluding consultants)				
	Hourly rate average		Mean pay gap %	
	Mean average	Median average	Mean pay gap %	Median pay gap %
White	£18.24	£16.62		
BME	£19.27	£18.03	-5.64%	-8.48%
Unknown	£18.12	£16.48	0.66%	0.84%

We can see that excluding consultants from the analysis lowers the mean pay gap between BME and White staff and increases the median pay gap. Excluding consultants reduces both the mean and median pay gap staff of an unknown ethnicity compared to White staff.

Agenda for Change banding

As with previous years reporting we have examined the pay gap by Agenda for Change (AfC) banding, due to some of the small numbers of staff in each banding, particularly at both ends of the spectrum, please see below staff numbers for context:

	White	BME	Unknown	Total
Band 1	19	2	2	23
Band 2	1326	162	204	1692
Band 3	2159	205	161	2525
Band 4	932	50	76	1058
Band 5	1584	465	450	2499
Band 6	1815	158	113	2086
Band 7	1229	60	53	1342
Band 8a	387	16	20	423
Band 8b	123	4	4	131
Band 8c	49	1	1	51
Band 8d	25	0	2	27
Band 9	12	0	1	13

The below table examines the mean and median pay gap of BME staff compared to White staff by AfC banding. It should be noted that differences in pay within a band could be reflective of the spinal point the individual is remunerated on, usually indicating the number of years in the respective band. This data should therefore be cautiously interpreted, as changes in pay gaps by band could result from a multitude of different scenarios:

	Mean pay gap %	Median pay gap %
Band 1	8.20%	4.98%
Band 2	-6.34%	-11.01%
Band 3	-8.46%	-7.82%
Band 4	1.60%	6.89%
Band 5	-8.62%	-2.59%
Band 6	5.14%	8.66%
Band 7	0.44%	0.00%
Band 8a	-0.04%	-1.56%
Band 8b	12.99%	6.80%
Band 8c	3.26%	0.00%
Band 8d		
Band 9		

Band 1 is now closed to new applicants. The pay gap at band 2 has reduced from previous years reporting. We can see that pay gaps have increased for bands 3 and 4 but have reduced for bands 5 and 6 compared to last year. There remains an issue with pay gaps in both directions within these specific bandings.

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.

Action planning

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 this is 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.