**Ethnicity Pay Gap**

**Report 2023**

This year, for the first time in our history, we are publishing our Ethnicity Pay Gap Report alongside our Gender Pay Gap Report 2023.

We publish an overview of our gender pay gap each year. This is a legal requirement but, crucially, we also see it as an opportunity for us to better understand our organisation and look to our shared future.

It is not currently a statutory requirement to report on our ethnicity pay data, nor common practice to do so in our sector. However, we believe that doing so is an important step on our journey towards greater equality, diversity and inclusion. It will help us to ensure we reflect the communities we serve, so that we can make a real and lasting difference in people’s lives.

When we look at the picture painted by this year’s reports, it’s clear we are not yet where we want to be. We are, however, where we expected to be at this point in time. Both our gender and ethnicity pay gaps follows the patterns and trends that we see across other organisations and in wider society – but this isn’t a reason to be complacent. Waiting for society to change is not enough: it’s our responsibility to make it happen.

I am proud of the steps we have taken so far to help ensure that Change Grow Live embodies its values as an organisation that believes in people, regardless of their gender or ethnicity. But our work in this area continues.

We are committed to becoming one of the leading organisations in our field for diversity and inclusion. To this end, we will continue to explore new ways to improve the accessibility of our services, recruit a representative workforce and enrich our culture with diversity of thought, background and experience.

I can confirm that the gender and ethnicity pay gap information contained in these reports is accurate as of 5th April 2023.

**Mark Moody**

**Chief Executive**

**Ethnicity pay gap – How do we calculate it?**

The ethnicity pay gap is calculated in the same way as our gender pay gap analysis. It is the difference in the average hourly rate of pay between our White and ethnic minority colleagues across the whole of our organisation.

There are two ways we can calculate the average hourly pay of our ethnic groups:

* **Mean** - The mean (average) of a data set is found by adding all numbers in the data set and then dividing by the number of values in the data set.
* **Median** - The median is the middle value when a data set is ordered from least to greatest.

**Change Grow Live Ethnicity Pay Gap**

**What does our overall Pay Gap tell us?**

Using the mean average calculation method, White colleagues are paid 14% less compared to their ethnic minority colleagues, whereas the median average calculation method only showed a negative difference of 7%. (Both figures excluded White minorities)

The significant difference between the overall mean and median indicates that there are a few people earning higher salaries than normal, which is making the gap look bigger than it actually is. The mean therefore helps show the typical earnings of an employee within the group being analysed.

**What does our Ethnicity Pay Gap data tell us?**

**Individual Ethnic Groups**

Whilst the overall calculations show us the difference between White and ethnic minority groups it is useful to look at whether there are differences between each of the individual ethnic groups.

**Figure 1** – The breakdown of Change Grow Live’s Ethnicity **Mean** Pay Gap by Ethnicity groups. (Excluding White minorities)

**Figure 2** – The breakdown of Change Grow Live’s Ethnicity **Median** Pay Gap by Ethnicity groups. (Excluding White minorities)

Our ethnicity pay data shows us that all our ethnicity pay group gaps are negative, regardless of which method of calculation is used i.e., mean, or median. This tells us that the pay of our White colleagues is on average lower than that of colleagues from all other ethnic minority groups.

If we look at the relationship between the mean and the median, we can see that the mean is higher than the median for all ethnic minority groups, due to the relatively small percentage of the ethnic minority groups employed in the highest paid roles skewing the data i.e., Clinical and Medical roles.

An ethnicity pay gap therefore exists because of the imbalance of ethnic minority colleagues at different levels of the organisation. Our ethnic minority colleagues are better represented in the higher paid medical roles compared to lower paid roles, creating a higher average compared to White colleagues, therefore a differential gap in average pay between the two groups exists.

**Gender and Ethnicity**

It is also interesting to look at the ethnicity pay gap between male and female ethnic minorities compared to the overall ethnicity pay gap.

**Figure 3** – The breakdown of Change Grow Live’s Ethnicity Pay Gap by Gender.

(Excluding White minorities)

The data tells us that the male ethnicity pay gap is larger than the female ethnicity pay gap and both are paid more than their White colleagues. There is however closer parity between ethnic minority females and White females.

When we look at the data in more detail, we can see the underlying reason for this is that there is a higher number of ethnic minority colleagues in the higher paid medical professional roles.

**Role Types**

Figure 4 shows the ethnicity pay gap broken down by non-management, management and senior management in each of the role types.

**Figure 4** – The breakdown of Change Grow Live’s Ethnicity Pay Gap by Role Type.

(Excluding White minorities)

Note: 4174 roles were categorised into these role types.

Analysing the data by role types, we can see that:

* The largest negative ethnicity pay gap is in our medical management roles due to the number of ethnic minority colleagues compared to White colleagues in the higher paid medical professional roles. However, the data below shows that there are a relatively small number of both ethnic minority (8) and White colleagues (5) in the medical management roles.
* Both our Support Management and Support Senior Management role types are also showing a positive ethnicity pay gap, meaning white colleagues are paid more than their colleagues from ethnic minority groups.

**Taking action. Since April 2022 we have:**

* Expanded our Equality, Diversity and Inclusion (EDI) team to ensure that there is a greater EDI focus across more organisational strategic priorities, projects and workstreams.
* To build on progression and diversity in senior leadership, management and central roles we have informally tested reciprocal mentoring. Following successful feedback, we will now be exploring a pilot with the support of an external organisation.  Reciprocal mentoring aims to enable individual as well as systemic transformation. It can help to create a culture of diversity, equality and inclusion, where our differences are respected and valued, our biases are challenged, and systemic barriers are dismantled.
* Increased everyone’s pay by an equal amount with 2022’s cost of living award. This has made sure that those who earn our lowest salaries benefit equally to those who earn our highest. By applying our cost-of-living increase in this way, our lowest earners received a higher percentage increase to their earnings than our higher earners, which we believe was the right thing to do. By applying the cost-of-living increase in this way there has been a reduction in our negative ethnic pay gap.
* Reviewed our recruitment approach to reduce bias and barriers so we can recruit a more diverse and representative workforce. We are in the process of simplifying our application process and reviewing our role profiles to improve accessibility and remove potential barriers to people of people from different ethnic backgrounds.
* Created a central recruitment team to support inclusive recruitment across the organisation. They have introduced recruitment pathways to encourage a diverse applicant pool.
* We have begun to review our leadership development and talent management practices to make sure that barriers are removed for people from different ethnic backgrounds. We have also tested a leadership programme called ‘women of colour in leadership’ and will further explore our options.
* Increased the number of roles we have sponsored at lower levels within the organisation which will increase the diversity of our workforce across the staff types i.e. Frontline, Support, Clinical, Medical.

**In 2023/24 we commit to taking further actions:**

* Development of virtual recruitment roadshows to promote Change Grow Live as a diverse employer.
* We are exploring our cultural competency training offer alongside our together team. Cultural diversity and sensitivity training can equip recruitment team members with the skills they need to change their behaviour. This change is crucial for fostering and promoting diversity and inclusion in the workplace.
* Formalisation of EDI annual business plan (ABP) and identification of interconnections with the recruitment and progression journey, including better use of data insights.
* Reciprocal mentoring pilot begins in March 2024 - The aim of the programme is to continue to build a more equitable and inclusive organisation which will lead to better representation at a senior level and support women to progress in leadership.
* Partnering with European Medical recruitment agency to facilitate ethical recruitment and selection and effective onboarding of international clinical staff.
* A proactive campaign from within the Clinical and Care team to increase accessibility, attraction, and development of a diverse clinical and care team (at senior clinical leadership and pre-professional levels).
* Part of our annual ESG review we are completing the RACE Equality Code Assessment.  RSM UK have been engaged to carry out an assessment of our organisation's approach to race equality as an adopter of the RACE Equality Code (REC). Recommendations from the audit will ensure we are at a level playing field in relation representation within progression and leadership across the organisation.

**Conclusion**

Whilst we currently have a negative ethnicity pay gap, we acknowledge that this will fluctuate as we increase the diversity of the organisation. We remain committed to making our organisation a more inclusive place to work, so that we can represent all the communities we are here to serve.

We can see we have greater representation of Black, Asian and minority ethnic colleagues within clinical roles. However, staff members from minority ethnic backgrounds in central support and senior leadership are underrepresented and we are committed to increasing the diversity of our workforce through these roles.

We see the Ethnicity Pay Gap report as an ongoing piece of work and welcome your thoughts, feedback, questions and suggestions. We will continue to share updates on our plans with you.

Please contact our Director of Inclusion, Simone James (Simone.James@cgl.org.uk), for further information.

**Written by Clair Hoare and Simone James**