

Appendix 2

# Ethnicity Pay Gap Report

March 2026

Education  
Partnership  
North East



As part of our commitment to transparency and equity, this appendix marks the second inclusion of ethnicity pay gap reporting in our annual Gender Pay Gap report.

Currently this information is **not statutorily required**. This addition aligns pre-emptively with the requirements of the Employment Rights Bill, due to be implemented in 2026, which mandates ethnicity gap reporting for employers of our size.

It is also important to note that as this is not currently a statutory requirement, comprehensive national data specific to the Education sector is limited. Several Universities have reported their own findings although these are varying figures.

The Ethnicity Pay Gap measures the difference in average earnings between employees from different ethnic backgrounds, highlighting disparities that may exist due to historical, structural, or systemic factors. Much like gender pay gap reporting, this analysis does not assess equal pay for equal work but instead provides a broader view of representation, pay distribution, and potential inequalities across our workforce.

This report includes data on pay quartiles, median and mean pay gaps, and bonus disparities, where applicable. We recognise that ethnicity pay gap reporting comes with additional complexities, such as variations in ethnic group classifications and the impact of self-reporting. However, we remain committed to ensuring robust, meaningful analysis and using this data to drive progress.

As per Government guidelines, the best way for employers to collect ethnicity data is to ask employees to report their own ethnicity, but always with an option to opt-out of answering, such as 'prefer not to say'. For the purpose of this report, this has been classified as 'Not Specified'.

There were 1030 employees in the organisation at the time of reporting.

At the initial stages of reporting to give initial indications, we have separated the data into 3 core categories:

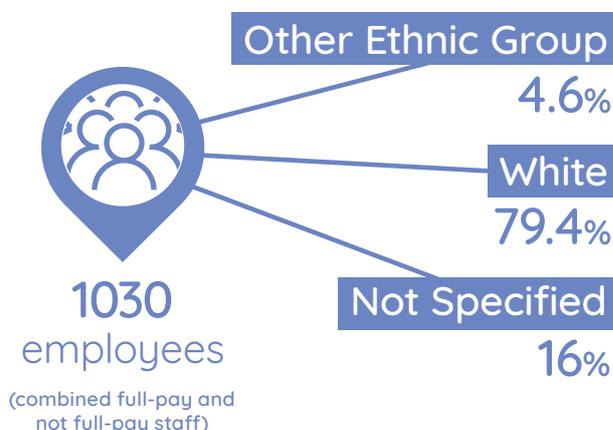
- Not Specified: 165 (16%)
- Other Ethnic Group: 47 (4.6%)
- White: 818 (79.4%)

The figures for this report are based on **full-pay equivalent employees** in line with the criteria of Gender Pay Gap reporting. This equates to 918 staff.

The categories are made up as:

- Not Specified: 134 (14.6%)
- Other Ethnic Group: 37 (4%)
- White: 747 (81.4%)

## Ethnicity split at EPNE



## Mean Ethnicity Pay Gap

The mean ethnicity pay gap calculation includes 'Other Ethnic Group' and 'White'. It does not include 'Not Specified'.

The mean ethnicity pay gap is **17%**. This equates to a £2.94 difference in hourly rate.

Ethnicity Category	Average of Hourly Rate
Other Ethnic Group	£14.33
White	£17.27

For information, the 'Not Specified' average hourly rate was £16.36.

## Median Ethnicity Pay Gap

The median ethnicity pay gap is **20.1%**. This equates to a £3.24 variance.

Ethnicity Category	Median Hourly Rate
Other Ethnic Group	£12.86
White	£16.10

For information, the 'Not Specified' median hourly rate was £13.39.

It is likely that this variance in the median is due to the low number of employees grouped into the 'Other Ethnic Group' category (15 employees), in comparison to the 'White' category (657 employees).

## Quartiles

More information on how quartiles are calculated can be found in the main body of the Gender Pay Gap report.

Quartiles exclude those employees who identify as 'Not Specified' to give a more accurate picture.

Quartile	Other Ethnic Group	White	Total
Lower Quartile	16	8.2%	180
Lower Middle Quartile	6	3.1%	190
Upper Middle Quartile	12	6.1%	184
Upper Quartile	3	1.5%	193
<b>Grand Total</b>	<b>37</b>		<b>747</b>

There is clear evidence that the workforce is predominantly white as the majority of employees in all quartiles are in the 'White' ethnic group.

There is also clear evidence of low representation of non-white groups, particularly in the lower middle quartile and upper quartile. There is a lack of ethnic diversity across all pay bands. This data also indicates that there is limited progression and pipeline diversity.

## Ethnicity Bonus Pay Gap

More information on how the bonus pay gap is calculated can be found in the main body of the Gender Pay Gap report.

The mean Ethnicity Bonus Pay Gap is **5.3%**, or a total of £2.81 variance.

Ethnicity Category	Average of Total Bonus
Other Ethnic Group	£50
White	£52.81

For information, the 'Not Specified' average of total bonus was £50.

- The median bonus ethnicity gap is in line with the Gender Pay Gap report, and is 0%. This is due to 894 relevant employees receiving a £50 bonus voucher in December 2023
- 100% of employees who received Long Service Award payments were White
- 100% of employees who received Support Standards Payments were White

- The proportion of White ethnic group employees receiving bonus payments is 90.1% (737)
- The proportion of Other Ethnic Groups receiving bonus payments is 61.7% (47). This indicates that those employees in Other Ethnic Groups are less likely to be in roles or service categories that make them eligible for bonus payments.

These roles are typically filled by students aged 18 or under and are paid at national minimum wage.

8 of the full pay relevant Student Ambassadors included in reporting have reported being in 'Other Ethnic Group'. This could be a contributing factor to large changes in figures, when compared to previous reporting in 2024.

## Ethnicity Pay Gap

This year's gender pay gap reporting has also incorporated Student Ambassadors for the first time (5 male and 5 female). Their inclusion is due to increased working hours throughout the academic year, which brought them into scope for reporting.

EPNE is satisfied that the Ethnicity Pay Gap is driven by a lack of ethnic diversity across the workforce and progression pipeline, rather than unequal pay practices. Addressing representation, progression, and data quality will have the greatest long-term impact.

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## Why have we included our Ethnicity Pay Gap this year?

By publishing this appendix as part of our report, we reaffirm our dedication to fostering an inclusive and equitable workplace. We acknowledge that closing the ethnicity pay gap requires sustained action, and we will use these insights to shape our policies, practices and strategies for a fairer future. By extending our analysis to ethnicity, we aim to deepen our understanding of pay disparities, identify barriers to progression and implement meaningful actions that promote fair pay for all employees.

### Initial Actions

- Further analysis on ethnicity grouping is required to make the data more meaningful and to target specific actions
- Continue to improve Ethnicity data quality; the implementation of organisational employee Equality, Diversity & Inclusion dashboards will provide more reliable data and stronger reporting, to support improvements in under-representation
- Review recruitment pipelines for roles at all levels, including strengthening links with local and regional communities to potentially widen candidate pools
- Review access to development programmes in the organisation, as well as mentoring, and ensure development opportunities continue to be consistently promoted
- It is likely that Disability pay gap reporting could become part of this reporting cycle, so the above actions will also include Disability
- Develop and implement an internal communications campaign to encourage employees to provide accurate personal data, including gender and other demographic information. Communications will clearly explain why the data is collected, how it will be used, and the safeguards in place to protect confidentiality