

# **Equal Pay Review 2017**

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# 1. Executive Summary

The University's 2017 Equal Pay Review assesses the remuneration of our 6,358 regular (contracted) employees as at 31st August 2017 by the protected characteristics of gender (with age group), ethnicity, and disability. This report presents the key findings of that review and will be followed by an action plan with recommendations for further action.

The 2017 Equal Pay Review is published alongside the University's 2017 statutory Gender Pay Gap report and the action plan from this Equal Pay Review will also include recommendations to address the areas of gender pay gap concern identified in the statutory report.

For the purposes of clarity, and because the terms are sometimes used interchangeably, the University underlines that a gender pay gap is different from an equal pay gap:

- A gender pay gap measures the differences between the average pay of all male employees and the average pay of all female employees, irrespective of their job role or seniority.
- Equal pay concerns pay differences between specific groups of male and female employees performing like work, equivalent work or work of equal value.

The 2017 Equal Pay Review demonstrates that there are no significant equal pay gaps (using the Equality and Human Rights Commission definition of that term¹) by gender within our pay grades. Moreover, there are no significant equal pay gaps by gender within our professorial bands, which were recalibrated as part of the University's Reward Project in 2014/15. Therefore, the University believes it can, at an institutional level, demonstrate that it provides equal pay for work of equal value with respect to gender.

Turning to the gender pay gap, when the rate of pay for all employees is compared irrespective of grade, the 2017 Equal Pay Review shows mean and median pay gaps by gender of +21.5 per cent and +13.7 per cent, respectively (in favour of men). The University's 2017 statutory Gender Pay Gap return (which is based on a slightly different methodology and a different reporting date - see section 2 of this report for further details) provides a similar picture, with mean and median pay gaps of +20.2 per cent and +17.4 per cent, respectively. These figures reflect the significant gender differences of occupations across the University and the attrition of women at higher pay grades. However, there is evidence that measures put in place to increase the representation of women at higher grades are having a positive effect.

The University has continued to make progress in improving rates of disability and ethnicity disclosure amongst staff, including halving the rate of non-disclosure of ethnicity since 2011. But, whilst progress has been made in improving the rates of self-declared diversity data, this report does not provide the same in-depth analysis on ethnicity and disability as it does for gender because the absolute numbers of staff who identify as non-white and/or disabled are often too small to allow for meaningful analysis at lower levels of aggregation.

In terms of ethnicity, 92.7 per cent of staff have now disclosed their ethnicity, with 13.6 per cent of staff declaring their ethnicity as non-white. This review demonstrates that there are no significant equal pay gaps by ethnicity at Levels 1-6. There are some wider variations at Level 7, which are considered to be strongly influenced by small sample sizes. When rates of pay for all employees are compared irrespective of grade, there are mean and median pay gaps by ethnicity of +9.3 per cent and +5.7 per cent, respectively (in favour of ethnically white employees).

Meanwhile, 91.9 per cent of staff have disclosed their disability status, with 3.4 per cent of staff declaring that they have a disability. This may well be an under-estimate given that disability rates in wider society are substantially higher than this. Whilst this review shows equal pay gaps by disability of more than 5 per cent in two of our grades, these are again strongly influenced by small sample sizes. When rates of pay for all employees are compared irrespective of grade, there are mean and median pay gaps by disability of +10.6 per cent and +11.1 per cent, respectively (in favour of non-disabled employees).

For future equal pay reviews to consider other groups with protected characteristics more thoroughly, further action will be required to encourage positive disclosure (including re-disclosure) among existing staff, as well as action to improve overall representation across the University. Any such action will need to be mindful of the potential impact of the incoming General Data Protection

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 $<sup>^1</sup>$  The Equality and Human Rights Commission defines a gender pay gap of 5% or more as 'significant', while recurring differences of 3% or more merit further investigation.

Regulations. The "right to be forgotten" may promote variable disclosure rates as people take more direct control over their personal data, which could impact on the reliability of diversity trend data.

# 2. Background information and methodology

The <u>Equality Act 2010</u> prohibits discrimination in respect of 'protected characteristics', i.e. age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation. As a matter of good practice, equal pay reviews should aim to cover all of these equality considerations, although there may be practical constraints on what is possible. Reviews should also address equal pay in respect of part-time employees and those on fixed-term contracts, reflecting the legislation on prevention of less favourable treatment for such staff.

Equal pay reviews should seek to establish the existence and nature of any pay inequalities and, if so, the extent to which these can be objectively justified. Approaches to equal pay reviews should be considered in the context of other equality policies, procedures and processes and should be complementary and supportive as well as diagnostic, considering ongoing initiatives and actions.

The University is committed to pay and conditions free from discrimination through our <u>Equal Pay Policy</u>, the <u>Universities and Colleges Employers Association (UCEA) framework agreement</u> and equal pay legislation. As such, we follow the <u>Equality and Human Rights Commission's</u> (EHRC) recommendation to conduct an equal pay review biennially. Such reviews have been undertaken for a number of years, with the <u>last review in 2015</u>.

Statutory reporting of the Gender Pay Gap came into effect in 2017. It is important to note that the University's 2017 statutory Gender Pay Gap report applies the methodologies used in the <u>Equality Act 2010 (Gender Pay Gap Information) Regulations 2017</u> and therefore differs from the University's (and EHRC's) Equal Pay methodology used in this report. The key differences can be summarised as follows:

Statutory Gender Pay Gap methodology	Equal Pay Review methodology		
Snapshot date of 31st March 2017	Snapshot date of 31st August 2017		
Defines 'relevant employees' as all full-pay employees employed by the University of Southampton on the snapshot date and other employees on less than full pay because of leave. Therefore the report's population consists of contracted employees and casual workers paid on 31st March 2017. For casual workers paid on 31st March 2017, wages for the preceding 12 weeks are used to determine 'average' hourly rate. Casual workers NOT paid on 31st March 2017 are excluded.	Defines relevant employees as those with a contract of employment with the University of Southampton on the snapshot date. Therefore the report's population consists of contracted employees only.		
Report population = 7,751	Report population = 6,358		
Defines 'ordinary' pay (inclusive of regular recurring allowances and payments) and 'bonus' pay.	Defines 'basic' pay (equivalent of FTE scale point salary) and 'total' pay (inclusive of regular recurring and one-off payments).		
Excludes overtime and unsocial hours payments.	Excludes overtime and unsocial hours payments.		
Pay gap calculations based on post salary sacrifice pay.	Pay gap calculations based on pre salary sacrifice pay.		
Part-time 'relevant employees' scaled up to full-time equivalent.	Part-time employees scaled up to full-time equivalent		
Pay gap calculations based on hourly rates.	Pay gap calculations based on annual salaries.		
Reports on gender only.	Reports on the protected characteristics of gender, ethnicity, disability and age.		
Pay gaps expressed as a percentage of men's pay.	Pay gaps expressed as a percentage of the typically higher-paid group.		

There is currently no intention to harmonise the methodologies of these two reports. We believe it is important to maintain a distinction between our statutory Gender Pay Gap reporting obligations and our long-standing commitments to conducting equal pay reviews. However, the University recognises the contextual value that an equal pay review can add to discussions regarding gender pay gaps. Therefore, with effect from 2018, the University will move to conducting equal pay reviews annually, alongside its statutory Gender Pay Gap reporting commitments.

The primary purposes of an equal pay review are to:

- establish the nature of any pay inequalities for individuals doing 'equal work' arising because of age, disability, religion or belief, sex and sexual orientation; and/or from differing contractual arrangements;
- analyse in more detail the nature of any inequalities;
- analyse the factors creating inequalities and diagnose the cause or causes;
- determine what action is required to deal with any unjustified inequalities revealed by the analysis and diagnosis

Our recommendations for action, when published, will aim to;

- · raise awareness of potential areas of concern, and
- reduce or close gender, disability and ethnicity pay gaps by addressing the barriers, constrained choices, discrimination and stereotypes that drive them

# 2.1 Glossary of terms

Throughout this report:

- Pay gaps represent the difference in average salary between two groups of employees, as a percentage of the typically higher-paid group.
- A pay gap preceded by '+' favours men, ethnically white or non-disabled self-identifying employees.
- A pay gap preceded by '-' favours women, black and minority ethnic or disabled self-identifying employees.

In a small number of instances, where populations of five or fewer employees constituted an identifiable group of individual staff, it has been necessary to remove data from the published report. Where this has happened, any pay gaps applicable to that population have been replaced by a generic pay gap statement of either '>3%' (greater than 3 per cent) or '<3%' (less than 3 per cent) to indicate the pattern, but not the detail.

Term	Description
The following terms contained in the Equality Act 2010 are used in respect of equal work:	<ul> <li>'Like work' is defined as work which is the same or broadly similar.</li> <li>'Work rated as equivalent' is defined as work which has achieved the same or a similar number of points under a job evaluation scheme.</li> <li>'Work of equal value' is defined as work which is of broadly equal value when compared under headings such as effort, skill and decisions</li> </ul>
Statutory Gender Pay Gap report	Gender pay reporting legislation requires employers with 250 or more employees to publish statutory calculations every year showing the pay gap between their male and female employees.
Equal Pay Review	<ul> <li>An equal pay audit involves comparing the pay of men and women doing equal work. The primary purposes of an equal pay review are to:</li> <li>establish the nature of any pay inequalities for individuals doing 'equal work' arising because of age, disability, religion or belief, sex and sexual orientation; and/or from differing contractual arrangements;</li> <li>analyse in more detail the nature of any inequalities;</li> <li>analyse the factors creating inequalities and diagnose the cause or causes;</li> <li>determine what action is required to deal with any unjustified inequalities revealed by the analysis and diagnosis</li> </ul>
Pay gap	<ul> <li>The difference in average pay between two groups of employees, as a percentage of the typically higher-paid group. Averages are expressed as either mean or median:</li> <li>The 'mean' average is the most commonly understood definition of the average, where all values are added together, then divided by the number of instances.</li> </ul>

	The 'median' average is the middle value in a list of values ordered from smallest to largest.				
Gender Pay Gap	In this report, capitalised references to the 'Gender Pay Gap' specifically refer to statutory Gender Pay Gap reporting.				
Equal pay gaps and pay gaps by gender, ethnicity and disability	In this report, references to equal pay gaps, and any other pay gaps (in lower case) specifically refer to pay gaps identified in this Equal Pay Review.				
Professional Services staff	Any contracted employee in either the Management, Specialist and Administrative (MSA), Technical and Experimental (TAE) or Community and Operational (CAO) job families.				
Academic staff	Any contracted employee in the Education, Research and Enterprise (ERE) job family				
Clinical staff	Any contracted employee employed on the Clinical pay scales (NHS equivalent)				
Base pay	Equivalent to a relevant spinal point value, with part-time employees' pay pro-rated up to full-time equivalent to enable like-for-like comparison.				
Total pay	<ul> <li>Includes "base pay", plus the following allowances and payments:</li> <li>Clinical Excellence Awards</li> <li>Honoraria</li> <li>Living wage supplements</li> <li>Market supplements (including market pay, Personal Value and special allowances)</li> <li>Pay protection</li> <li>Responsibility allowances</li> <li>Senior post holder allowances (including Associate Dean and Head of Academic Unit allowances)</li> <li>Wolfson Research Merit Awards</li> <li>Winchester School of Art hourly enhancements</li> </ul>				
MyHR	The secure online service the University uses for staff to view and amend the personal data (including diversity disclosures) held about them by Human Resources and Payroll.				

#### 2.2 Calculation and comparison of pay gaps

Pay gaps represent the differences in average pay between two groups of employees, as a percentage of the typically higher-paid group. So, for example, a gender pay gap is calculated as the difference between the average salaries of men and the average salaries of women, as a percentage of the average salaries of men.

When comparing work of equal value, the Equality and Human Rights Commission (EHRC) recommends that pay gaps of greater than 5.0 per cent are significant enough to warrant immediate action. Meanwhile, pay gaps between 3.0 and 5.0 per cent should be monitored to ensure they do not increase. This report applies this recommendation when considering in-grade pay gaps.

Given this recommendation, the University believes that if it were not delivering 'equal pay', this would be evidenced by sustained and substantial pays gaps exceeding +/-5.0 per cent in both mean and median measures across the University.

Both the mean and the median can be used to calculate average earnings, and each produces a different result. The Office for National Statistics prefers to use median hourly earnings, because the median is not affected by extreme values, such as changes in the earnings of small numbers of high earners. EHRC guidelines recognises the benefits in presenting both the median and the mean together when describing average pay. The median tends to be less affected than the mean by the presence of a small number of high earners, whilst the mean can capture differences of distribution.

This report recognises that the mean is the most commonly understood definition of the average and therefore a majority of references in this report are to the mean.

#### 2.3 2017 Statutory Gender Pay Gap reporting

Statutory reporting of the Gender Pay Gap came into effect in 2017. The purpose of a gender pay gap analysis is to establish the difference between men and women's average earnings throughout an organisation, in order to bring greater transparency to any gender pay and gender balance differences.

The existence of a gender pay gap is not of itself unlawful; rather it can demonstrate, for example, that men and women undertake different types of roles (horizontal segregation) and/or work at different levels (vertical segregation) within an organisation. An employer delivering equal pay may still have a significant gender pay gap — as is the case at the University.

The existence of a gender pay gap normally highlights an underpinning issue, which may or may not be attributed to the employer's practices, for example, where men and women undertake different types of roles at different levels of responsibility (and therefore pay) within an organisation. While this may reflect society's constructed gender norms rather than any breach in legislation, such issues need to be explored to determine the extent to which any gender bias is reinforced in the organisation's culture and values.

Addressing a gender pay gap may require a range of initiatives, some of which could take some time to have an effect, and may involve a shift in organisational culture; for example, working to identify and address the barriers women face in applying for senior positions.

The University's 2017 statutory Gender Pay Gap return identified mean and median pay gaps of  $\pm 20.2$  per cent and  $\pm 17.4$  per cent, respectively, placing us within 5 per cent of the sector averages by both the Office for National Statistics (ONS) and the Higher Education Statistics Agency (HESA) measures (see below). We are confident that this gender pay gap does not stem from paying men and women differently for work of equal value, but is instead the result of the different types and seniorities of the roles in which men and women tend to work – see figure 1, below. Our statutory Gender Pay Gap return also showed mean and median bonus pay gaps of  $\pm 54.1$  per cent and  $\pm 50.0$  per cent, respectively, which are explored in more detail in Section 3.7 of this report.

Figure 1	- Pro	portion	of men	and	women	by grade
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Pay Level	Male	Female
Level 1a	30.9%	69.1%
Level 1b	52.7%	47.3%
Level 2a	34.2%	65.8%
Level 2b	26.3%	73.7%
Level 3	38.7%	61.3%
Level 4	45.8%	54.2%
Level 5	50.2%	49.8%
Level 6	63.1%	36.9%
Level 7	73.5%	26.5%

There are two official sources of pay data that can be used to estimate gender pay gaps at sector level. The ONS data collected through the Annual Survey of Hours and Earnings (ASHE) report, based on a sample of around 1 per cent of employees (c. 4,000 in higher education), calculates hourly rates of pay (excluding overtime) and therefore is the best comparison to the methodology for the statutory gender pay gap calculations. This shows a fall in both mean and the median gender pay gaps since 2012-13, albeit with an increase in the mean in 2016-17:

Figure 2 - Gender pay gap in higher education sector (ONS data)

Year	2012/13	2013/14	2014/15	2015/16	2016/17
Mean pay gap	19.1 per cent	16.9 per cent	16.3 per cent	14.1 per cent	15.5 per cent
Median pay gap	19.4 per cent	16.0 per cent	15.0 per cent	14.8 per cent	14.3 per cent

Source: ASHE. Based on hourly earnings excluding overtime for all employees.

HESA collects sector-wide salary data but this excludes additional elements of pay included in the statutory Gender Pay Gap calculation, excludes casual staff and is reported as full-time equivalent salary rather than as hourly pay. The figures are therefore less comparable, but show a similar – but less pronounced – downward trend in gender pay gaps:

Figure 3 - Gender pay gap in higher education (HESA data)

Year	2012/13	2013/14	2014/15	2015/16	2016/17
Mean pay gap	19.0 per cent	18.9 per cent	18.3 per cent	17.8 per cent	TBC
Median pay gap	16.2 per cent	14.6 per cent	13.7 per cent	13.7 per cent	TBC

Source: HESA. Based on full-time equivalent basic salary for all employees

A recent <u>report by the ONS</u>, focusing on the mean gender pay gap, finds that only a third of the gender pay gap can be explained by observed differences in the characteristics of men and women employees and the types of jobs they do. Two-thirds of the gap remains unexplained. This means that the University, like most other employers, must continue working to identify the root causes of gender pay gaps and to find its own solutions to those issues.

Analysis of the University's statutory Gender Pay Gap reporting data identified a number of issues, including:

- Evidence of the vertical segregation of roles by gender, specifically the unequal distribution of men at the top of the University's hierarchy and women towards the bottom of the hierarchy;
   and
- Variation in practice across the University in the remuneration of its casual workforce (e.g. clarity of hourly rates of pay) including how pay data is recorded in the HR and payroll system.

This report's action plan will, when published, provide recommendations for action on the issues identified by our 2017 statutory Gender Pay Gap report.

# 2.4 New JNCHES higher education gender pay gap data

Work to examine gender pay gap data across the higher education (HE) sector was commissioned in 2015 as part of the 2015-16 New JNCHES pay settlement. This was the first time that this level of analysis had been completed, and the <u>resulting report</u> (published in September 2016) provides insight into the nature of the pay gaps observable in HE, and also provides a platform from which future HE sector benchmarking can be conducted. The report's summary findings were as follows:

- That the gender pay gap for the HE sector narrowed over the preceding decade. The mean gender pay gap fell from +18.9 per cent in 2003/04 to +14.1 per cent in 2014/15 whilst the median pay gap fell from +21.7 per cent to +13.1 per cent.
- That the gender pay gap for full-time HE staff narrowed for both academic and professional services staff groups. Between 2003/04 and 2014/15, the median gender pay gap for full-time academics narrowed from +10.3 per cent to +5.7 per cent, while the median gender pay gap for full-time professional services staff narrowed from +12.0 per cent to +5.7 per cent.
- That there were more significant pay gaps (outside +/- 5 per cent boundaries) for full-time senior staff than for full-time staff on the 51-point pay spine, but no significant median pay gaps appear where women made up at least 40 per cent of the full-time employee group. (Note: The University's own evidence, covered in this review, finds a similar pattern, where the only significant and sustained 'in level' pay gaps are amongst Level 7 roles, i.e. above the 51-point pay spine).
- That there were no pay gaps within contract levels for part-time staff on the 51-point pay spine in 2014/15, except in four levels where pay gaps were in favour of women. (Note: This is also a trend reflected in the University's own data, with the only a significant sustained 'in level' pay gaps for part-time staff being amongst Clinical Academic staff. These gaps need to be further investigated by the University and its NHS partner).
- That, unlike in the whole economy, pay gaps in the HE sector do not significantly vary by overtime pay or bonuses.
- That the pay gap in the HE sector shows a downward trend, and has fallen more rapidly compared to the whole economy, particularly in the last five years; the median gender pay gap in HE narrowed from +18.9 per cent in 2010 to +11.1 per cent in 2015. In comparison, the gender pay gap in the whole economy fell less rapidly, from +15.5 per cent in 2010 to +9.6 per cent in 2015. The wider education sector, which covers all phases including HE, saw a small increase in its median gender pay gap, from +10.1 per cent in 2002 to +10.8 per cent in 2015.

#### 2.5 University of Southampton pay gap trend

The University of Southampton's mean pay gap by gender has reduced from +23.0 per cent to +21.5 per cent between 2011 and 2017. However, this was impacted by a temporary, but significant, increase to +28.3 per cent, as reported in our 2013 Equal Pay Review. Therefore, whilst the overall trend is

one of a reducing pay gap by gender, our pay gap remains wider than both the UK economy as a whole and the wider HE sector.

Figure 4, below, shows the mean pay gap by gender as reported in our current and preceding Equal Pay Reviews. Whilst a positive trend is identified, it confirms that progress is incremental and may be plateauing. This would be consistent with national trends noted in the New JNCHES pay gap data, and by the ONS.

30%
28%
26%
24%
22%
20%
18%

······ Linear (UoS

Mean

Gender

Pay Gap)

Figure 4 - Mean pay gap by gender as reported in University of Southampton Equal Pay Reviews

# 2.6 How we compare to other Russell Group universities

2013

16%

14%

12%

10%

2011

Our 2015 Equal Pay Review noted that our progress to date, in addressing gender pay gaps, had been similar to that of the Higher Education (HE) sector in general, and compared favourably with the Russell Group. We know that our peers in the Russell Group experience similar challenges to us, and statutory Gender Pay Gap information shared between Russell Group universities indicates that Southampton's statutory Gender Pay Gap statistics are similar to others in the Group, with examples both above and below our own gaps. Russell Group universities' statutory gender pay gap reports can be found on the government portal.

2015

2017

Whilst it is prudent and appropriate to compare ourselves against our peer group, as well as the wider HE sector and the UK economy as a whole, the University of Southampton is committed to taking independent action to address our own pay gaps, alongside ensuring we deliver equal pay for equal work.

#### 2.7 How we compare to other universities with clinical academics

The 2017 Equal Pay Review has, for the second time, included Clinical employees.

Clinical academic salaries are based on NHS salary scales and are determined with reference to NHS pay negotiations, rather than New JNCHES. In addition, some clinical academic staff receive performance-related supplementary pay awards from the NHS, called Clinical Excellence Awards (CEAs). This report therefore makes explicit note that clinical academic salaries can be significantly influenced by factors beyond the University's direct control.

The Medical Skills Council's (MSC) <u>Survey of Medical Clinical Academic Staff Levels 2017</u> noted that the unequal distribution of clinical posts by gender remains a concern across the sector. Whilst the survey reported that there have been some small improvements in this area, the numbers of women remain low, particularly at senior levels, and the rate of change has slowed. Apparent inequality of the distribution of enhanced remuneration remains. The survey recognised that the influence of a feminised medical workforce is complex and noted the need for the clinical academic sector to continue its work in this area. The survey added that change is expected to be a gradual over time, and reflective of local populations, and that continued efforts are needed to support diversity along the clinical academic pathway.

#### 2.7.1 Clinical academic gender representation

The MSC reported that, in 2016, there were more men (71.5 per cent) than women (28.6 per cent) in clinical academic roles nationally. For comparison, in 2017, 62.4 per cent of the University's clinical academics were men and 37.6 per cent were women.

#### 2.7.2 Clinical academic ethnicity representation

The MSC reported that, in 2016, 14.8 per cent of clinical academics at Lecturer grade and above identified as of Black, Asian and minority ethnicity (BAME), with 76.2 per cent from White backgrounds, and 9.0 per cent un-declared. By comparison, in 2017, 17.0 per cent of the University's clinical academics identified as BAME, with 75.7 per cent from White backgrounds, and 7.3 per cent un-declared.

# 2.8 2015 Equal Pay Review recommendations and action to date

The <u>University's 2015 Equal Pay Review</u> included the following recommendations:

- The successful work to improve the progression of women to senior roles should continue, as this is clearly having a positive effect.
- The measures taken by the University to increase representation of women to date have focused on academic employees only and action should be taken to develop gender equality work for other staff groups.
- There should be a comprehensive exercise to encourage greater declaration of ethnicity, nationality, disability, religion & belief and sexual orientation data to enable more robust analysis of our demographics and pay equality in these areas.
- Faculties and the Professional Services should review equal pay data for their areas to ensure that there are no gender pay gaps affecting specific disciplines or occupations.

This report acknowledges that we have not made the progress against all of these recommendations since the last Equal Pay Review. However, where progress has been made, this has included;

- Continued support of our women's employee networks, leadership circles for women and an
  institutional mentoring programme to increase the visibility of women role models and
  provide independent tailored support to aspirational women in their careers.
- The continued uptake of departmental Athena SWAN self-assessment and applications, so that targeted local activity identifies and addresses the causes of gender inequality at all levels of the University.
- Improved rates of self-declared disability and ethnicity.
- Mandatory online equality and diversity training for all staff, so they are aware of their responsibilities under the Equality Act 2010 and the University's efforts to enhance equality of opportunity for all.
- Annual availability of the *Springboard Development Programme for Women* to academic women, as well as to professional and support roles in some years as well.
- An embedded equality, diversity and inclusion governance structure that makes Deans and other leaders more accountable for equality in their areas, so that decisions more readily take equality impact into account.
- The introduction of online appraisal documentation at Levels 4-7 to support compliance with our mandatory annual appraisal requirement.
- Training for appraisers and appraisees to support them to get the most out of appraisal discussions.
- Interview coaching for academic promotion applicants who reach interview stage.

# 2.8.1 Athena SWAN

The University of Southampton is a founding signatory of the <u>Athena Swan Charter</u> and, as of 2016, holds a silver-level Athena SWAN award, which recognises the impact of our work to improve gender equality in the institution. As a signatory, we recognise the specific challenges that affect men and women in academic careers, which leads to fewer women at senior levels of HE. We are committed to addressing these issues, to maximise the potential of all our people.

#### 2.8.2 Balancing gender representation

At Southampton, women account for 42 per cent of our academic workforce (across Levels 4 to 7).

The University has been successful in improving the progression rates of women to senior roles, more than doubling its number of female professors in the last decade, increasing representation from 17.7

per cent in 2007 to 26.5 per cent in 2017. Female representation has also increased at Level 4, Level 5 and Level 6 over the same period.

The 2015 Equal Pay Review noted that Professional Services employed 62 per cent of the total female workforce of the University and that action should be taken to improve the gender balance of Professional Services. This report notes that this overall figure in Professional Services has not changed. This is consistent with the <a href="workforce analysis">workforce analysis</a> carried out by UCEA and HESA which noted a 63 per cent representation of women amongst Professional Services staff.

The effect of this is that women continue to be over-represented in more junior roles. Overall, women make up 66 per cent of the University's workforce at Levels 1 to 3 but only 46 per cent of the workforce at Levels 4 and above.

This 'weighting' of women workers in lower graded jobs is a key factor in the University's overall equal pay gap by gender. Further action is still required to improve the gender balance across the University.

#### 2.8.3 Job Evaluation

The University has nine pay grades (for non-Clinical staff) from Level 1a through to Level 7. Pay scales at Levels 1 to 6 are based on the nationally negotiated single pay spine. Separate pay scales apply for ERE staff at Level 7, MSA staff at Level 7 and for clinical staff.

We use the Hay job evaluation scheme to evaluate jobs. This means that all Level 1-6 roles are considered in the same way by a cross-functional job evaluation panel made up of University HR and trade union representatives. Level 7 roles are evaluated by a separate process, but still subject to the Hay methodology.

The Hay method assesses each job description in a consistent way, with reference to three factors - know-how, problem solving and accountability — which combine to give an overall score. It is this score that places the job within our pay and grading structure.

# 2.8.4 Appraisal process at Levels 4-7

The University is committed to an appraisal process that is fair and transparent, consistently applied and aligned to both the delivery of the University's 'Simply Better' strategy as well as its equality and diversity policies.

From 2015 a new appraisal process was implemented, with online capability to track and monitor appraisal completion rates, contribution against objectives and personal development plans. This superseded a paper-based Personal Performance and Development Review, with the aim of improving the University's ability to monitor and quality assure its appraisal process outcomes. The introduction of the online element of this process was an important component in achieving this.

A key aim of the appraisal process is to enable appraisers and appraisees a formal opportunity to address development needs and opportunities, better preparing appraisees for future promotion and career development opportunities.

Prior to the introduction of the new appraisal system, anecdotal evidence, and the results of departmental surveys, suggested there was a significant proportion of staff who were not receiving regular reviews of their performance, nor advice on their career development. Since the new appraisal system is carried out online, we are now able to monitor completion of appraisals, with the aim of ensuring that staff are receiving the support with their career development that they are due. Appraisal is particularly important in ensuring that women are able to progress in their careers as the best career advice is that which is tailored to the individual, and an appraiser is best placed to identify an individual's strengths and their development needs, so as to recommend the most appropriate opportunities and development available to enable staff to progress.

The staff survey of 2016 was the first to ask whether an appraisal had occurred within the past 12 months, at which time 71 per cent responded positively (agree or strongly agree). In 2017, 95 per cent of level 7 staff and 93 per cent of level 4-6 staff have engaged with the online appraisal process.

As part of the roll out of appraisals all line managers were required to attend face-to-face and online appraisal training to obtain a 'license to appraise'. In 2014/2015, 740 ERE staff attended the half day Appraisal Skills Workshop and in 2015/2016, 280 MSA staff attended. The online appraisal training has been completed by approximately 34 per cent of all staff. In 2017 the *Maximising Contribution* workshop was made available for new line managers and has been attended by 220 line managers and supervisors to date, with new dates continually being added. A new appraisal training module is

currently in development and will be available for Level 4-7 line managers from September 2018, and will also support the roll out of appraisals for Level 1-3 staff.

Appraisal outcomes inform a number of other processes, including Level 7 pay reviews. Faculties and Professional Services conduct a moderation exercise, with a view to achieving fairness and consistency in appraisal ratings, ensuring that individuals had been appraised against calibrated definitions of excellence. The indicative distribution is intended as a guide to ensure that individual contribution is calibrated relative to faculty or directorate performance, and the achievement of strategic objectives.

As with the roll-out of any new technology or process, there will be a settling-in period as both appraisees and appraisers become more familiar and confident with the appraisal processes and outcomes. The University is committed to supporting both appraisees and appraisers with this through the provision of appropriate training and support tools.

#### 2.8.5 Academic promotions process

The following charts set out the number of promotion applications and supported cases (i.e. successful promotions) made through the formal academic promotions process in the last four academic years.

Implementation of the Reward Project in 2014/15 had a demonstrably positive effect on promotion rates of academic women between 2014 and 2016. Figures for 2017 appear to show a downturn in this trend which may necessitate renewed targeted action. One hypothesis for the drop-off in female application rates in 2017 is that earlier initiatives may have served to exhaust pre-existing talent pools. Regardless of the reasons, a close watch, and ongoing pro-active steps, must be maintained to ensure that this does not represent a sustained trend.

Figure 5 - Comparison of Level 6 academic promotions, showing the percentage of applications supported for promotion

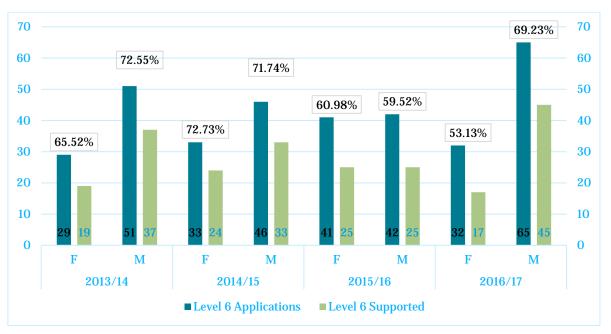


Figure 6 - Comparison of Level 7 academic promotions, showing the percentage of applications supported for promotion

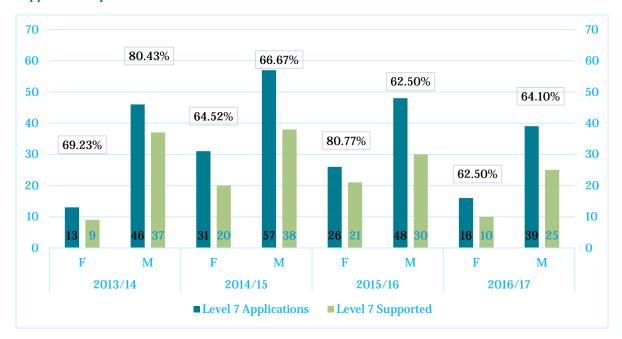
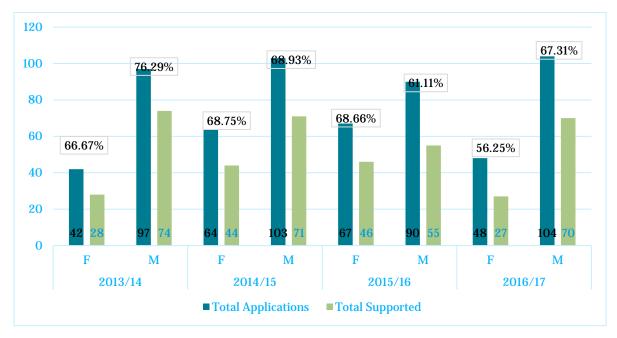


Figure 7 - Comparison of total Level 6 & 7 academic promotions, showing the percentage of applications supported for promotion



#### 2.8.6 Promoting diversity

The University of Southampton is a Stonewall Diversity Champion, an accredited Disability Confident employer and we are committed to being an Inclusive Employer. We advertise annually in Black History Month magazine, as well as through DisabledGo. Additionally, information on the University, including its Equality, Diversity and Inclusion policies and activities, is publicised at public events, including Black History Month and LGBT History Month, as well as being shared with Stonewall, Inclusive Employers and other partner organisations including Southampton General Hospital, Southampton Solent University and Southampton City Council, and publicised through the University's Diversity Calendar.

The University has seen steady progress in improving ethnicity and disability disclosure rates. Disclosure rates for ethnicity have improved from 84.0 per cent in 2011 to 92.7 per cent in 2017, whilst disclosure rates for disability have improved from 86.9 per cent to 91.9 per cent over the same period.

#### 2.8.7 Supporting time off for families

The University offers 26 weeks leave at full pay as part of its maternity provision. An <u>article in the Times Higher Education publication</u>, names the University of Southampton as being among the most generous employers (of a 160 sample of HE institutions.) Amongst the aims of this provision, is the encouragement of women to return to work following maternity leave. Evidently, pay is just one of many factors that influence decision-making for new parents, and the University must also demonstrate its ongoing commitment to women and their professional development on their return to work.

# 2.8.8 Professional development opportunities

The University recognises the value of supporting colleagues from all backgrounds, genders, ages and stages of their careers and lives. The University is committed to developing diverse talent for the future which will in turn help to address the issues highlighted by the gender pay gap. To that end, the University supports a range of development opportunities including, but not restricted to:

#### Springboard Development Programme

The <u>Springboard Development Programme for Women</u> is available to academic women, as well as to professional and support roles in some years as well. It offers delegates the opportunity to undertake a substantial review of their work and personal life, and take more control by making good quality decisions about the right way forwards for them as individuals.

Previous participants have said that as a result of attending, they have:

- Better awareness of skills and strengths;
- An increased sense of direction and skills to set and achieve realistic goals;
- Skills for improved relationships;
- Help, support and feedback from others; and
- The confidence to take more control rather than being influenced by circumstances.

The University's current provision for Springboard is to run one programme per academic year with the next one starting in 2018/19.

#### The 30% Club

The 30% Club is a working group comprising key personnel across the University, which meets regularly to progress and enhance the representation of women at senior level throughout the University. The group analyses relevant data and is developing targeted initiatives to improve the nomination appointment and selection processes for University committees and public activities, including Distinguished Lecturers, to proactively identify or encourage more female candidates to apply.

#### Upcoming training

The University will shortly be rolling out *Unconscious Bias* training, which should have a positive impact on promotions and career development across all faculties and departments.

The University's growing Leadership and Management training provision will assist in building the competence and confidence of women in management positions across the University, whilst *Unconscious Bias* training is in development and will be rolled-out shortly with the intention of positively influencing promotion and career development activities across all faculties and departments. This will sit alongside our mandatory *Equality, Diversity and Inclusion* online training module, which all staff need to complete within six months of starting employment with us, and an additional *Managing Diversity* module, which all staff with managerial responsibilities are required to complete (with some faculties additionally requiring this of all their staff).

In addition, we have provided Disability Equality training for our Disability Working Group and other key staff across the University, and are about to launch a new *Unconscious Bias* e-learning programme. Equality Analysis Training, which will enable the identification of any potential or existing adverse impact or potential positive benefit, has also been provided to HR Business Partners, which will enhance the University's policy development and review.

# 2.8.9 Additional positive measures

Further positive measures include the development of mentoring programmes for our Staff Diversity Networks. The Pulse LGBT+ Network was able to secure Office for Fair Access funding last year to

create a staff-student mentoring network. The scope for the initial project has since been redefined to share funding across other University Diversity Networks (which include WiSET, Women in Science, Engineering and Technology, Theano and the Women in Physics Networks as well as women members of the Pulse LGBT+ Network, Parents' & Carers' Network and Shine (the BAME Staff Network), with a proposal to set up an informal mentoring network, where network members are trained in mentoring techniques in order to facilitate student-focused events. In addition to the generic mentoring, the various networks will have specific requirements to meet the needs of identified student populations.

The above scheme does not include intra-staff mentoring. The current Staff Mentoring Programme is under review and the results from the new Staff Diversity Network programme will be used to inform possible approaches to future staff mentoring schemes. Mentoring has also been identified as a key item for inclusion in the 30% Club working group action plan and work to progress the Disability Standard, to attain a place in the Top 100 on the Stonewall Workplace Equality Index and the Race Equality Charter.

# 3. Findings: Pay by gender

This section considers pay by gender, first evaluating 'equal' or 'like' work, then by examining possible gaps at the point of hire (starting pay) and finally by examining pay throughout the employee lifecycle by age, length of service, contract type and working pattern.

# 3.1 Equal pay by gender

# 3.1.1 Professional Services, Academic and Clinical staff groupings

This section focuses on evaluating 'equal' or 'like' work, by splitting the workforce into Professional Services, Academic and Clinical staff groupings, then comparing pay by pay level (grade).

Figures 8 to 19 show that, for both Professional Services and Academic staff groupings, almost all pay gaps by gender and pay level are within the 3 per cent threshold recommended by EHRC. The exceptions to this are at ERE Level 7 Band B (where a total pay gap of under 5 per cent favours women), and MSA Level 7 (where a small population leads to much greater statistical variation). Pay at Level 7 is expanded upon in Section 3.1.3 of this report.

Overall, these charts give a clear indication that the University's pay and grading structures, supported by job evaluation, deliver equal pay (both base and total) for equal work across the University, within Professional Services and Academic staff groupings.

Figures 20 to 23 show that pay gaps within the Clinical staff grouping are more variable, with several data points lying outside of EHRC tolerance thresholds. Clinical pay is expanded upon in Section 3.1.4 of this report.

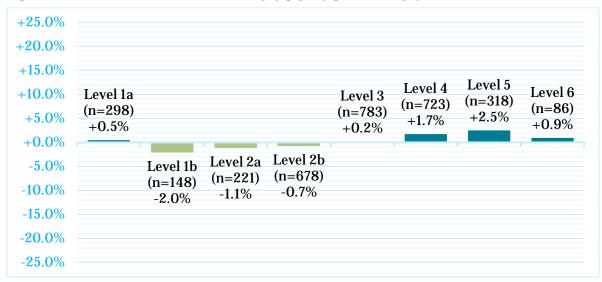


Figure 8 - Mean Professional Services base pay gaps by gender and pay level (Levels 1-6)

Figure 9 - Median Professional Services base pay gaps by gender and pay level (Levels 1-6)

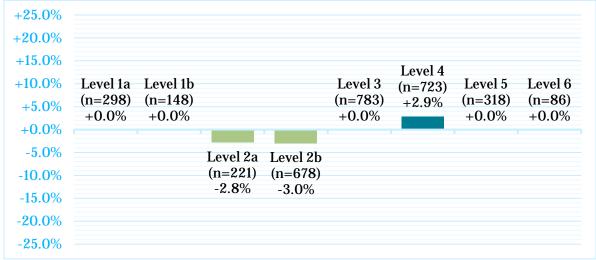


Figure 10 - Mean Professional Services total pay gaps by gender and pay level (Levels 1-6)

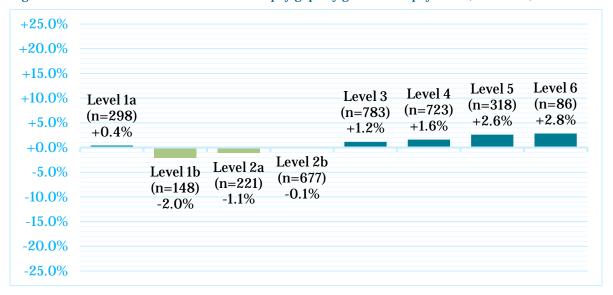


Figure 11 - Median Professional Services total pay gaps by gender and pay level (Levels 1-6)

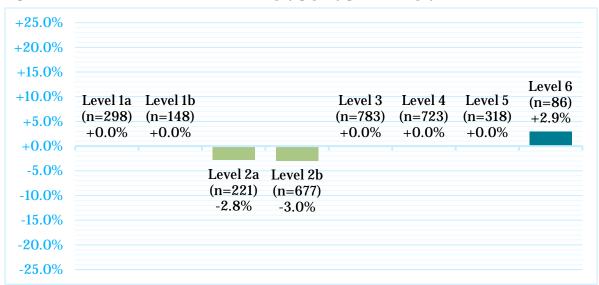
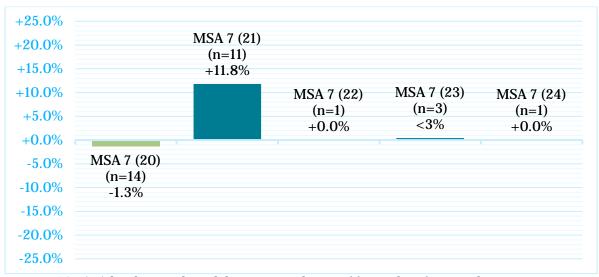
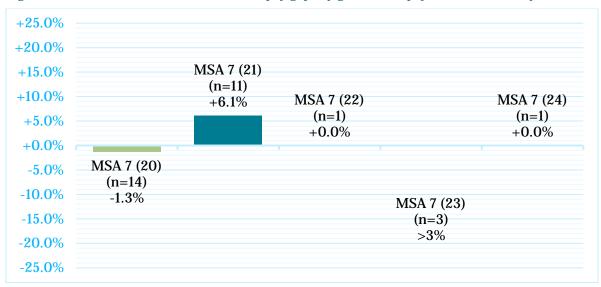


Figure 12 - Mean Professional Services base pay gaps by gender and pay level (Level 7 only)



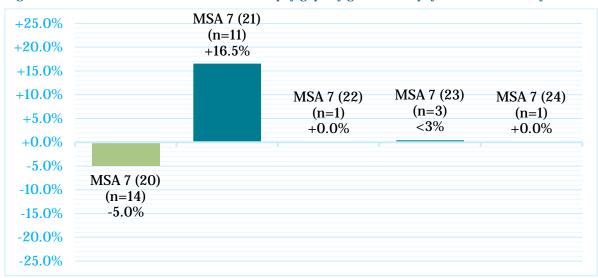
Note: MSA7 (23) has been redacted due to a population of fewer than five people

Figure 13 - Mean Professional Services total pay gaps by gender and pay level (Level 7 only)



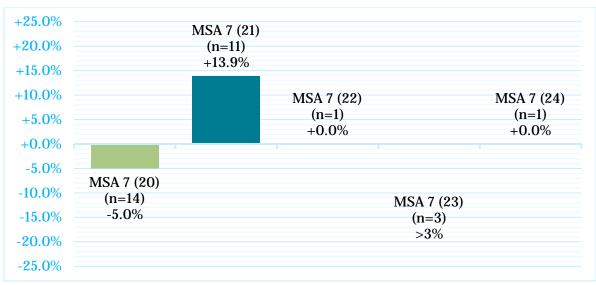
Note: MSA7 (23) has been redacted due to a population of fewer than five people

Figure 14 - Median Professional Services base pay gaps by gender and pay level (Level 7 only)



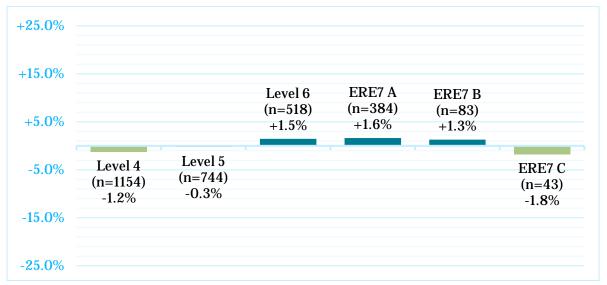
Note: MSA7 (23) has been redacted due to a population of fewer than five people

Figure 15 - Median Professional Services total pay gaps by gender and pay level (Level 7 only)



Note: MSA7 (23) has been redacted due to a population of fewer than five people

Figure 16 - Mean Academic base pay gaps by gender and pay level



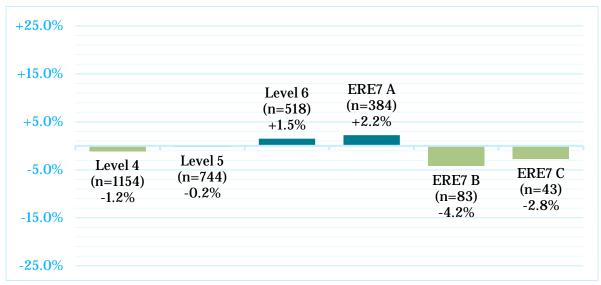
Note: The Vice-Chancellor has been removed from these comparisons as there is no equitable role within the University. Including the Vice-Chancellor in this data changes the ERE7 C pay gap to +5.7 per cent.

Figure 17 - Median Academic base pay gaps by gender and pay level



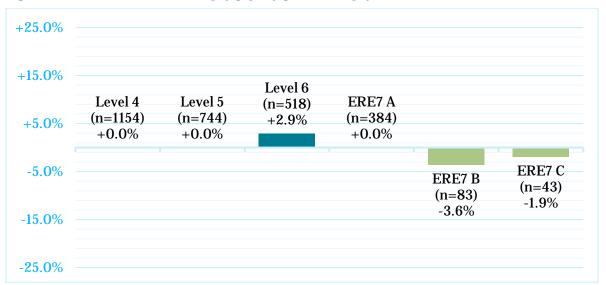
Note: The Vice-Chancellor has been removed from these comparisons as there is no equitable role within the University. Including the Vice-Chancellor in this data has no effect on the ERE7 C pay gap, which remains 0.0 per cent.

Figure 18 - Mean Academic total pay gaps by gender and pay level



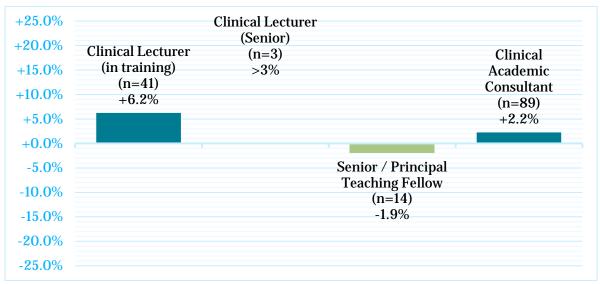
Note: The Vice-Chancellor has been removed from these comparisons as there is no equitable role within the University. Including the Vice-Chancellor in this data changes the ERE7 C pay gap to +4.4 per cent.

Figure 19 - Median Academic total pay gaps by gender and pay level



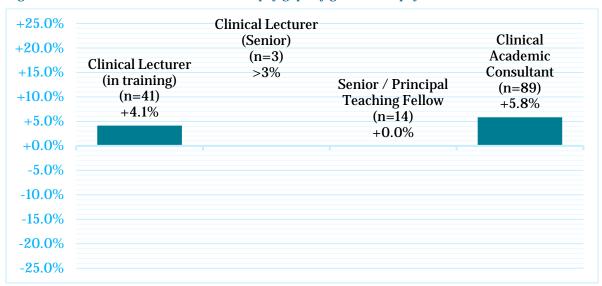
Note: The Vice-Chancellor has been removed from these comparisons as there is no equitable role within the University. Including the Vice-Chancellor in this data changes the ERE7 C pay gap to +3.9 per cent.

Figure 20 - Mean Clinical Academic base pay gaps by gender and pay level



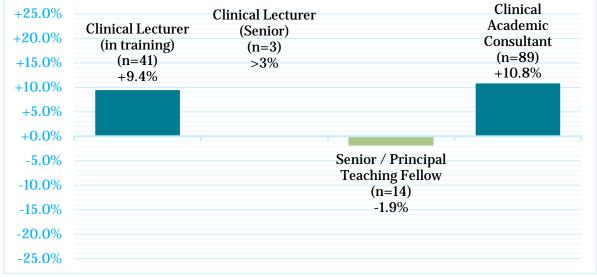
Note: Clinical Lecturer (Senior) has been redacted due to a population of fewer than five people

Figure 21 - Median Clinical Academic base pay gaps by gender and pay level



Note: Clinical Lecturer (Senior) has been redacted due to a population of fewer than five people

Figure 22 - Mean Clinical Academic staff total pay gap, by gender and pay level



Note: Clinical Lecturer (Senior) has been redacted due to a population of fewer than five people

+25.0% Clinical Lecturer +20.0% (Senior) Clinical (n=3)**Clinical Lecturer** Academic +15.0% >3% (in training) Consultant (n=41)(n=89)Senior / Principal +10.0% +6.7% +6.6% **Teaching Fellow** (n=14)+5.0% +0.0% +0.0% -5.0% -10.0% -15.0% -20.0%

Figure 23 - Median Clinical Academic staff total pay gap, by gender and pay level

Note: Clinical Lecturer (Senior) has been redacted due to a population of fewer than five people

#### 3.1.2 Levels 1-6

-25.0%

This section focuses on evaluating 'work of equal value', by splitting the workforce by pay grade, irrespective of discipline.

Figures 24 to 27 show that pay gaps by gender and pay level remain within the 3 per cent threshold when considered irrespective of discipline, providing further indication that the University's pay and grading structures deliver equal pay (both base and total) for work of equal value across the University.

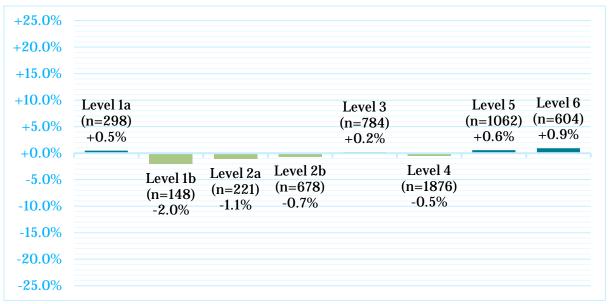


Figure 24 - Mean base pay gap, by gender and pay level

Figure 25 - Mean total pay gap, by gender and pay level

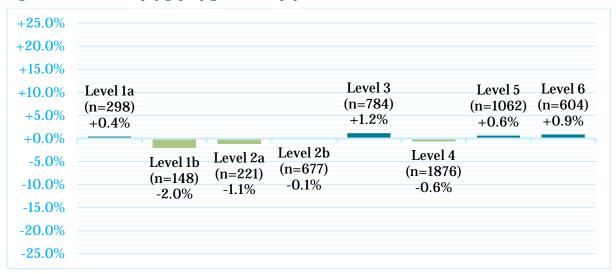
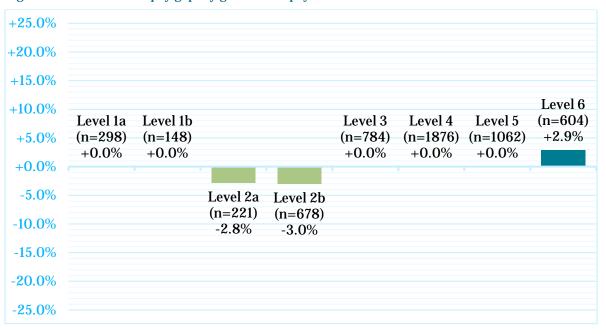


Figure 26 - Median base pay gap, by gender and pay level



+25.0% +20.0% +15.0%Level 6 +10.0% (n=604)Level 1a Level 1b Level 4 Level 5 Level 3 +2.9% +5.0% (n=298)(n=148)(n=784)(n=1876)(n=1062)+0.0%+0.0%+0.0%+0.0%+0.0%+0.0% -5.0% Level 2a Level 2b (n=221)(n=677)-10.0% -2.8% -3.0% -15.0% -20.0% -25.0%

Figure 27 - Median total pay gap, by gender and pay level

#### 3.1.3 Level 7

This section examines Level 7 in closer detail. The ERE Level 7 pay scale consists of three professorial bands. Professors and Professorial Fellows are assigned to a professorial band based on their level of academic distinction. A separate pay scale applies for MSA staff at Level 7. MSA Level 7 roles are grouped into five levels of work (Hay bandings 20 - 24), determined by job evaluation.

Note: Since all Professional Services staff at Level 7 are paid on the MSA Level 7 pay scale and all Academic staff at Level 7 are paid on the ERE Level 7 pay scale, the data presented in the charts in this section is identical to that shown in Section 3.1.1 of this report.

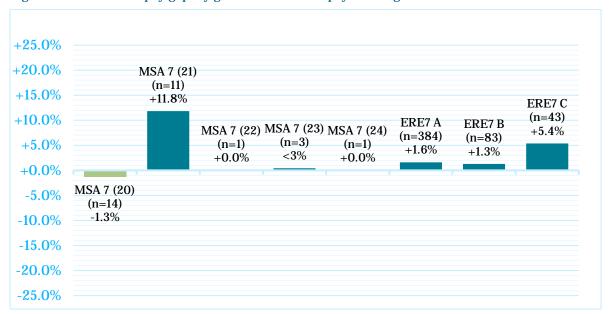
The charts in this section show a small number of mean base and total pay gaps in excess of EHRC thresholds, in favour of both men and women across the different pay bandings. However, only one of these, MSA7 (21), appears to be substantial and sustained (in excess of 5 per cent) across both mean and median measures of both base and total pay.

The charts in this section, demonstrate that most of these pay gaps, and trends in the gaps, remain similar and usually within the EHRC 5 per cent tolerance, when comparing median pay gaps. This is especially evident within the ERE Level 7 bands, which were recalibrated as part of the Reward Project in 2014/15.

For clarity and the purposes of this report, it is noted that MSA Level 7 staff do not have a salary range that is directly comparable to pay scale points. MSA Level 7 contains a small number of diverse roles with each role having an individual salary range where value is determined by market forces, across the five Hay bandings. This makes direct comparison with roles linked to pay scales challenging but equal pay is actively considered as part of the salary setting process.

While senior staff are outside the remit of New JNCHES pay negotiations, the University recognises that comparisons are important given concerns about pay equity and fairness. In the last few months there has been a focus on senior pay across the HE sector and a renewed interest in governance around pay levels and public scrutiny of senior pay. There are now plans at a national level to change reporting and governance requirements in relation to senior pay and, at the time of writing, the Committee of University Chairs was consulting on the introduction of a code on the remuneration of senior post holders. Whilst only a small sub-set of Level 7 staff would fall within the direct scope of this code, it nevertheless provides important context for this review.

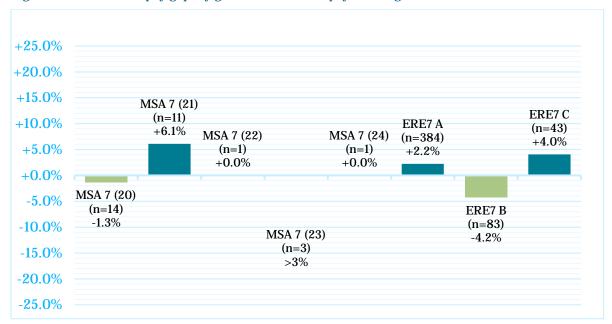
Figure 28 - Mean base pay gap, by gender and Level 7 pay bandings



Note 1: The Vice-Chancellor has been removed from these comparisons as there is no equitable role within the University. Including the Vice-Chancellor in this data changes the ERE7 C pay gap to +5.7 per cent.

Note 2: MSA7 (23) has been redacted due to a population of fewer than five people.

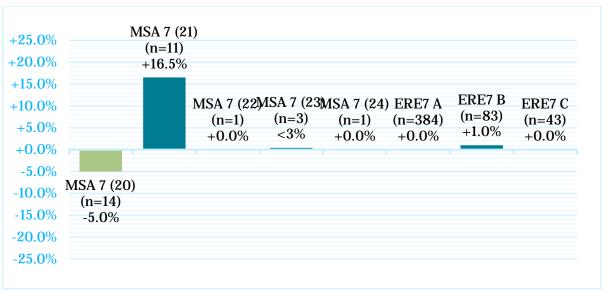
Figure 29 - Mean total pay gap, by gender and Level 7 pay bandings



Note: The Vice-Chancellor has been removed from these comparisons as there is no equitable role within the University. Including the Vice-Chancellor in this data changes the ERE7 C pay gap to +4.4 per cent.

Note 2: MSA7 (23) has been redacted due to a population of fewer than five people.

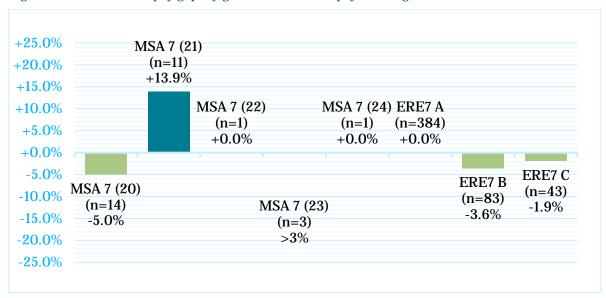
Figure 30 - Median base pay gap, by gender and Level 7 pay bandings



Note 1: The Vice-Chancellor has been removed from these comparisons as there is no equitable role within the University. Including the Vice-Chancellor in this data has no effect on the ERE7 C pay gap, which remains 0.0 per cent.

Note 2: MSA7 (23) has been redacted due to a population of fewer than five people.

Figure 31 - Median total pay gap, by gender and Level 7 pay bandings



Note 1: The Vice-Chancellor has been removed from these comparisons as there is no equitable role within the University. Including the Vice-Chancellor in this data changes the ERE7 C pay gap to +3.9 per cent.

Note 2: MSA7 (23) has been redacted due to a population of fewer than five people.

#### 3.1.4 Clinical staff

Clinical academic staff perform a wide range of roles, and the University has more than 10 clinical pay grades to reflect this. For the purposes of this report, and for the avoidance of doubt, clinical pay grades have been grouped together into broadly similar roles as follows:

Figure 32 - Table of clinical pay grades mapped to grade groups

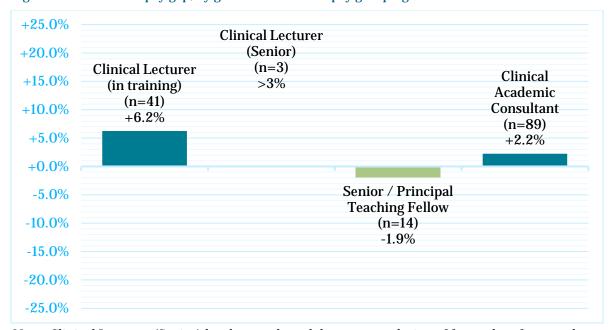
Grade group	Clinical pay grade	Indicative job roles	
Clinical Lecturer (in	AMNL, AMPL, AMRF, CADT	Lecturer/Clinical Lecturer/	
training)		Fellow/Clinical Fellow/	
		Research Fellow/	
		Training Fellow	
Clinical Lecturer (Senior)	AMNS, AMNR, AMPS, AMSF		
Senior/Principal Teaching	AMCF, AMCS	Senior Teaching Fellow/	
Fellow		Principal Teaching Fellow	
Clinical Academic	MC	Associate Professor/	
Consultant		Professor	

It should be noted that, following legal advice from UCEA in respect of statutory Gender Pay Gap reporting, the 2017 Equal Pay Review now treats CEAs as additional pay (or 'bonus' pay in the Gender Pay Gap Report), so CEAs are only included in the calculations of 'total pay'. This is a change from our 2015 Equal Pay Review, but ensures consistency and transparency of treatment with the statutory Gender Pay Gap Report.

The key observation from figures 33 to 36 is that there are moderate base pay gaps amongst Clinical Lecturers and Clinical Academic Consultants, and that these gaps both become more pronounced when total pay is considered.

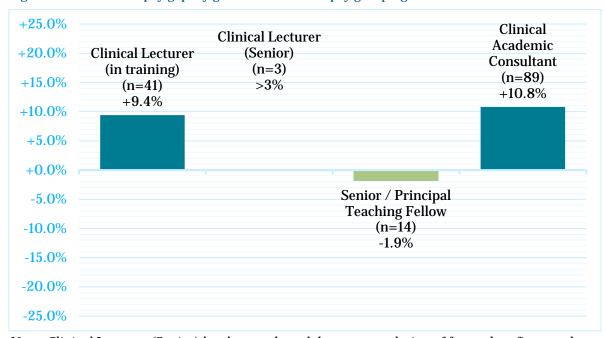
This report notes that on the snapshot date, 68 per cent of CEA recipients were men. This report recommends that the University should look at the rates of CEAs for men and women and identify if more can be done to increase the rate of awards for women (see Section 7 of this report for more analysis on CEA payments).

Figure 33 - Mean base pay gap, by gender and Clinical pay grouping



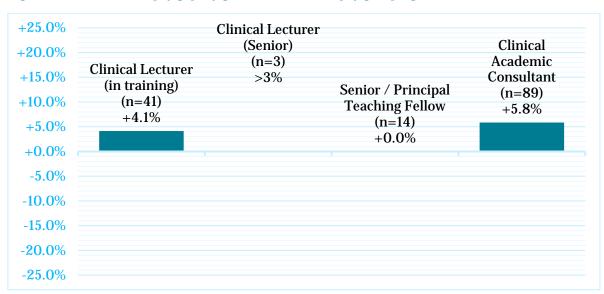
Note: Clinical Lecturer (Senior) has been redacted due to a population of fewer than five people.

Figure 34 - Mean total pay gap, by gender and Clinical pay grouping



Note: Clinical Lecturer (Senior) has been redacted due to a population of fewer than five people.

Figure 35 - Median base pay gap, by gender and Clinical pay grouping



Note: Clinical Lecturer (Senior) has been redacted due to a population of fewer than five people.

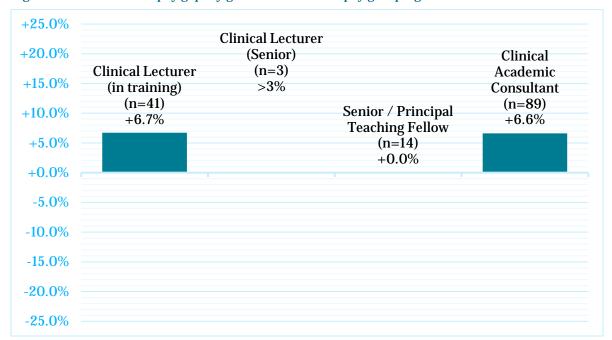


Figure 36 - Median total pay gap, by gender and Clinical pay grouping

Note: Clinical Lecturer (Senior) has been redacted due to a population of fewer than five people.

# 3.2 Starting pay by gender

For the purposes of this report, 'starting pay' was based on new starters in grade (i.e. new hires, existing employees changing grade and existing employees moving to a new role within the same grade) during the 12 months ending 31st August 2017.

In this section the term 'higher starting pay' refers to any salary paid to an individual employee that was higher than the minimum spine point value of the <u>relevant pay range</u> at the point of hire or change of grade.

Caution should be applied when considering the charts in this section as they are not restricted to first-time appointments and as such, 'starting salaries' could (potentially) include existing pay elements (e.g. an employee transferring to a 'new' post but retaining their accrued seniority in pay).

This approach to starting pay also comes with the warning that it has the potential to perpetuate and/or create equal pay pressures of its own. Whilst the ability to offer flexible remuneration packages is an important tool in the attraction and retention of top talent, this paper recommends a review of such practice as part of embedding long term and sustainable options for bringing down the gender pay gap.

With this said, the following figures demonstrate that, despite variations in starting pay above the minimum spine point values for the grade, for the most part, both mean and median averages demonstrate either neutral or minimal (i.e. less than 5 per cent variation) variances in starting pay by gender. This suggests the University's approach to equal pay are working at the point of hire.

#### 3.2.1 Levels 1 to 6

Figure 37 shows that higher starting pay was applied in favour of women just as often as it was applied in favour of men. Analysis of mean starting pay position shows that men and women tend to benefit to a similar degree from higher starting pay across Levels 1 to 6:

- Mean starting pay for women ranges from 1.6 per cent (at Level 1b) to 10.0 per cent (at Level 5) above the minimum spinal point for the pay grade.
- Mean starting pay for men ranges from 2.0 per cent (also at Level 1b) to 9.6 per cent (also at Level 5) above the minimum spinal point for the pay grade.
- For both men and women, median starting pay ranges from 0.0 per cent to 6.1 per cent above the minimum spinal point for the pay grade. This is directly equivalent to between zero and three spinal points.

Figures 38 and 39 further demonstrate that average starting pay was broadly equivalent between men and women at Levels 1 to 6.

Figure 37 - Comparison of 'higher starting pay' at Levels 1 to 6

Pay	Female			Male			
level	Number of starters	% starters with 'higher starting pay'	Mean starting pay as % above minimum spinal point	Number of starters	% starters with 'higher starting pay'	Mean starting pay as % above minimum spinal point	
Level 1a	65	100.0%	2.9%	114	100.0%	2.9%	
Level 1b	38	100.0%	1.6%	29	100.0%	2.0%	
Level 2a	72	37.5%	3.7%	34	29.4%	2.4%	
Level 2b	169	40.2%	4.5%	53	35.9%	3.6%	
Level 3	141	58.2%	5.9%	72	66.7%	8.1%	
Level 4	413	67.3%	9.4%	324	65.4%	8.1%	
Level 5	92	62.0%	10.0%	84	58.3%	9.6%	
Level 6	34	58.8%	8.2%	56	51.8%	6.3%	

Note: The 100 per cent rates of 'higher starting pay' in Levels 1a and 1b are a result of the application of the University's discretionary Living Wage payment.

#### 3.2.2 Level 7

At ERE Level 7, both men and women benefit from higher starting salaries across the professorial bands:

- Mean starting pay for women ranges from 0.0 per cent to 29.5 per cent higher than the lowest spinal point value of the relevant professorial band.
- Mean starting pay for men ranges from 5.2 per cent to 14.9 per cent higher than the lowest spinal point value of the relevant professorial band.
- Median starting pay for women ranges from 0.0 per cent to 29.5 per cent higher than the lowest spinal point value of the relevant professorial band.
- Median starting pay for men ranges from 0.0 per cent to 15.0 per cent higher than the lowest spinal point value of the relevant professorial band.

At MSA Level 7, directly equivalent analysis cannot be completed as each role has its own individual pay range - an arrangement that reflects the diversity of roles and responsibilities within the cohort. Instead of a pay range linked to a fixed range of spinal point values, pay is considered with reference to a median benchmark pay rate, which is accompanied by upper and lower 'boundary' values within which pay may be set.

Of the 11 employees (six women and five men) considered to have 'starting pay' at MSA Level 7 in the relevant period, women were appointed, on average, 3.0 per cent below the relevant benchmark salary and men were appointed, on average 0.7 per cent above the relevant benchmark salary. Of the 11, only three were entering Level 7 for the first time; the remaining eight were movements to new roles within the same grade.

Figures 38 and 39 show that, when starting pay at Level 7 is considered irrespective of professorial banding or Hay grouping, there is a significant pay lead for women according to both mean and median measures.

#### 3.2.3 Clinical

It is noted that the pay of clinical appointments are subject to NHS pay policies, which means any higher starting salaries on appointment will be due to inherited service/pay progression with another NHS employer and the University has no discretion in deciding this.

- Mean starting pay for women ranges from 19.5 per cent to 37.8 per cent higher than the lowest spinal point of the relevant clinical pay band grouping.
- Mean starting pay for men ranges from 18.4 per cent to 45.0 per cent higher than the lowest spinal point of the relevant clinical pay band grouping.

- Median starting pay for women ranges from 0.7 per cent to 37.8 per cent higher than the lowest spinal point of the relevant clinical pay band grouping.
- Median starting pay for men ranges from 0.4 per cent to 45.0 per cent higher than the lowest spinal point of the relevant clinical pay band grouping.

It is noted that the high upper values (37.8 per cent and 45.0 per cent) present in each of these measures of clinical starting pay are the consequence of individuals moving to the higher education equivalent of the new junior doctor contract (introduced in the NHS from August 2016), where pay protection arrangements apply.

Figure 38 - Mean starting pay (and pay gap) by gender and pay level (Levels 1-7 and Clinical)



Figure 39 - Median starting pay (and pay gap) by gender and pay level (Levels 1-7 and Clinical)



#### 3.3 Pay by gender and age group

The charts in this section (figures 40 to 43) illustrate a "glass ceiling" effect, showing that the gender pay gap increases significantly with age.

Analysis of the University's data shows that women's salaries track men's salaries (within the EHRC 5 per cent tolerances) until employees reach their 30s. From this point onwards there is a clear divergence as men's average salaries continue to increase but women's average salaries plateau. The resulting base pay gap by gender increases steadily to around 50 per cent by age 65. This is a trend also observed by <u>ONS analysis</u> of national data trends, albeit more pronounced.

The circumstantial evidence here suggests that the point at which salaries start to diverge is most likely directly related to the point at which women start to take time out from work for family commitments. The glass ceiling suggests that a woman's earning potential struggles to recover from this life event.

It is important to note that there is no evidence to suggest that the University is directly discriminating against men or women at any given age. The trends that have been identified are due to a segregation of men and women's roles and/or seniorities as age increases above 30 years. This is generally accepted to be linked to the age when most people start a family, which then continues to have a disproportionate effect on women's career progression.

The University has taken action to try to mitigate this effect, including: a generous maternity offer to encourage women to return to work with us; workload reprioritisation on return to work so that returners can focus on their research publications; special funds to enable research to continue or resume promptly following leave; and support of childcare for conference attendance. We also offer Shared Parental Leave to enable partners to take a greater share of parental responsibility and lessen the burden on women's time and careers. However, we note that unlike some universities, we do not offer contractual pay for Shared Parental Leave and uptake to date has been very low.

It is also likely that the transitory nature of parts of our workforce, particularly at ERE Level 4, linked to fixed-term funding and fixed-term contracts, may play a factor here. Further analysis of the use of fixed-term contracts and reasons for leaving employment (especially if related to family care commitments is recommended for future reviews.

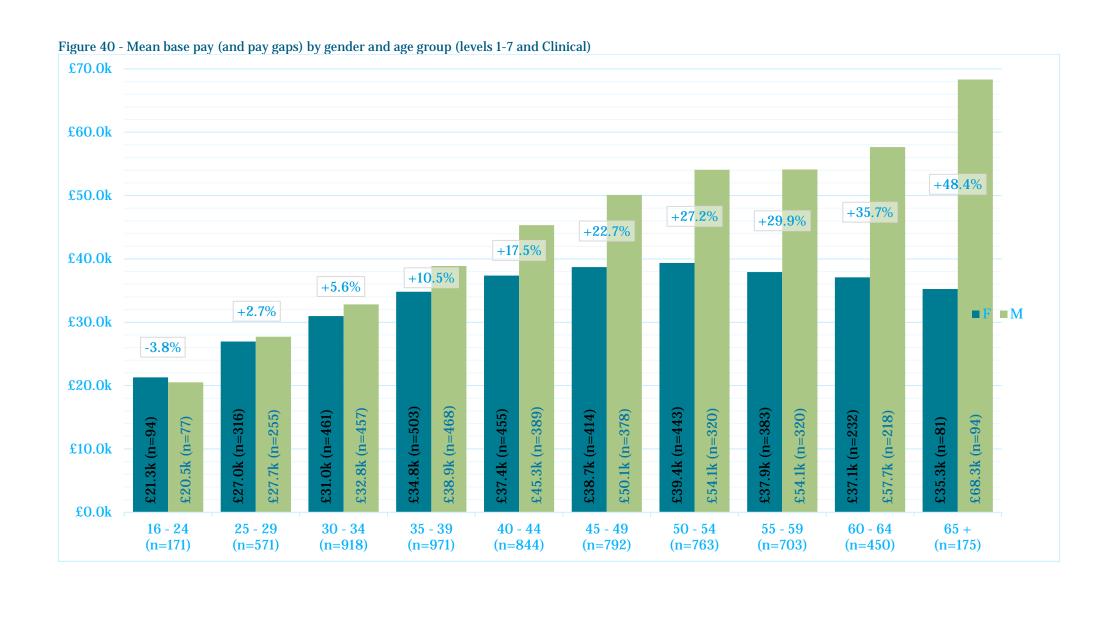


Figure 41 - Mean total pay (and pay gaps) by gender and age group (levels 1-7 and Clinical)



Figure 42 - Median base pay (and pay gaps) by gender and age group (levels 1-7 and Clinical)

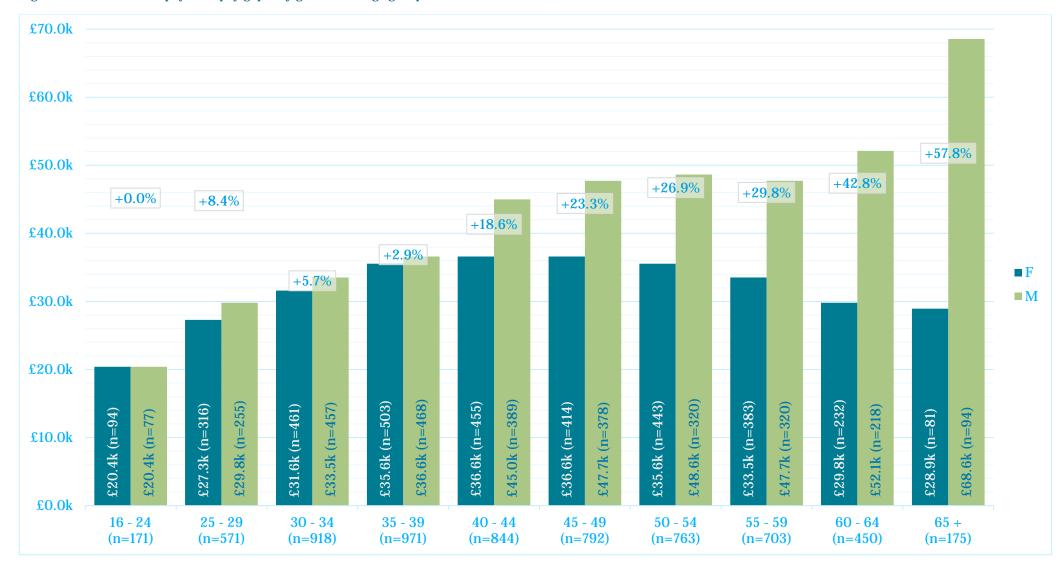


Figure 43 - Median total pay (and pay gaps) by gender and age group (levels 1-7 and Clinical)

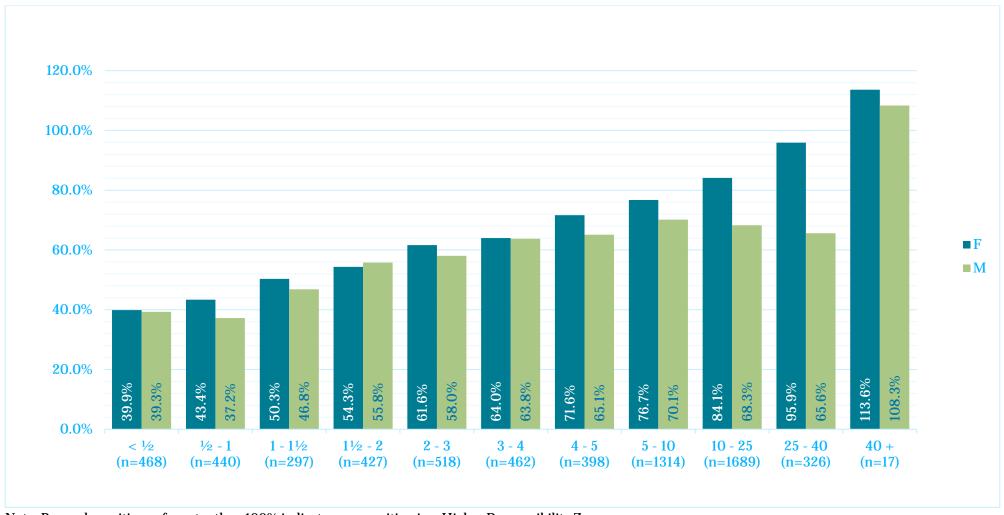


# 3.4 Pay by gender and length of service

The charts in this section (figures 44 to 47) continue to illustrate the "glass ceiling" effect, this time demonstrating that women tend to spend longer in each pay grade, and hence tend to have higher mean and median position within a pay scale. Men tend to have lower mean and median positions within a pay scale, indicating that they tend to move through and up to the next pay grade faster than their female colleagues.

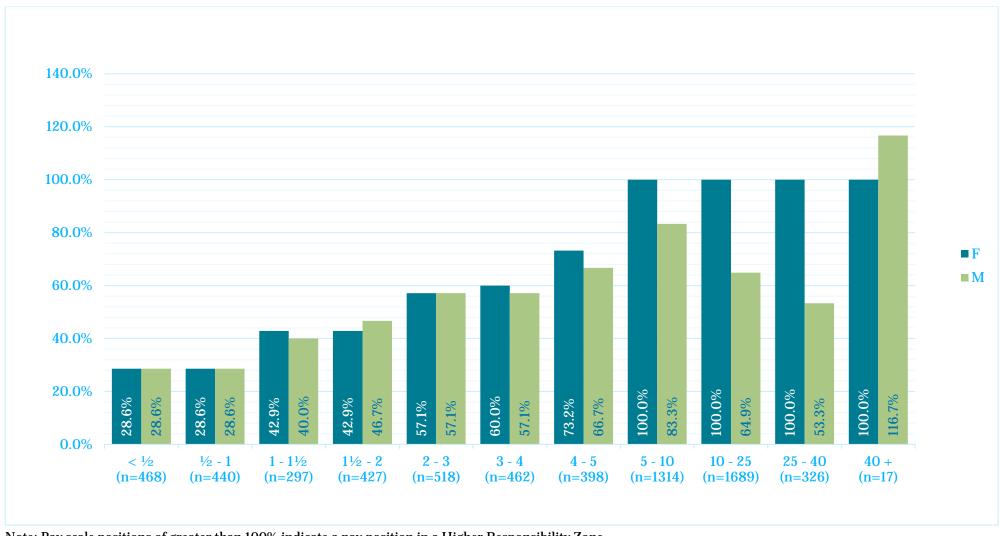
Again, the transitory nature of the University's fixed-term contract workforce could be a contributing factor here, and further analysis of this area, including reasons for leaving, is recommended.

Figure 44 - Mean total pay position on pay scale by gender and length of service (Levels 1-7 and Clinical)



Note: Pay scale positions of greater than 100% indicate a pay position in a Higher Responsibility Zone.

Figure 45 - Median total pay position on pay scale by gender and length of service (Levels 1-7 and Clinical)



Note: Pay scale positions of greater than 100% indicate a pay position in a Higher Responsibility Zone.

Figure 46 - Mean total pay and pay gap by gender and length of service (Levels 1-7 and Clinical)

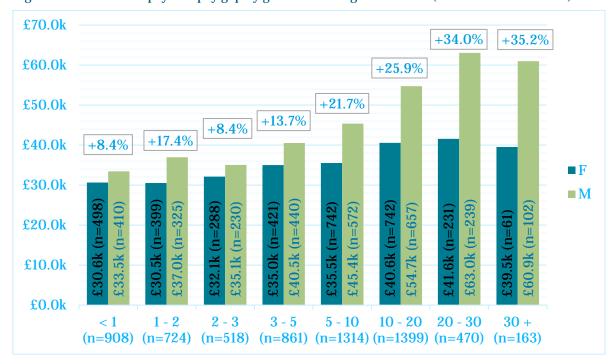
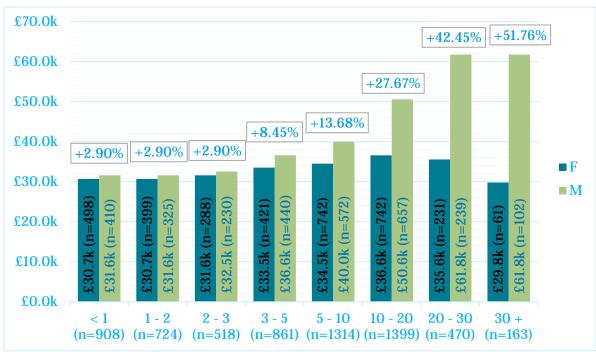


Figure 47 - Median total pay and pay gap by gender and length of service (Levels 1-7 and Clinical)



#### 3.5 Pay by gender and working pattern

Women make up 79 per cent of the total part-time workforce across the University, and 85 per cent of the part-time workforce in Professional Services.

Figures 48 and 49 demonstrate that average female part-time salaries closely track average male part-time male salaries within the 5 per cent tolerance throughout the grades up until the Level 7 and Clinical groupings, where larger gaps become apparent.

At Level 7 these gaps are at least partly influenced by the low numbers of part-time employees in these grades (with no part-time workers at all in MSA Level 7 roles). Within the Clinical groupings, figures 52 and 53 split the data amongst the constituent pay groupings and show that gaps are considerably smaller when considering equivalently-graded staff, although these are again based on very small populations.

Figures 50 and 51 show that part-time women have a pay lead over full-time men in almost all grades - another indicator that men tend to move through and up to the next pay grade faster than their female colleagues.

When all employees are compared irrespective of grade, men benefit in both full-time and part-time working patterns compared to women, with a +16.4 per cent base pay gap between full-time employees and +30.6 per cent base pay gap between part-time employees. This pattern is replicated amongst Academic staff with a +11.9 per cent mean base pay gap between full-time academics and a +29.7 per cent mean base pay gap between part-time academics. However, this pattern is less apparent in Professional Services with a +5.4 per cent mean base pay gap between full-time employees and a -19.3 per cent mean base pay gap between part-time employees.

Figure 48 - Mean total pay (and pay gaps) by gender and grade of part-time staff only (levels 1-7 and Clinical)

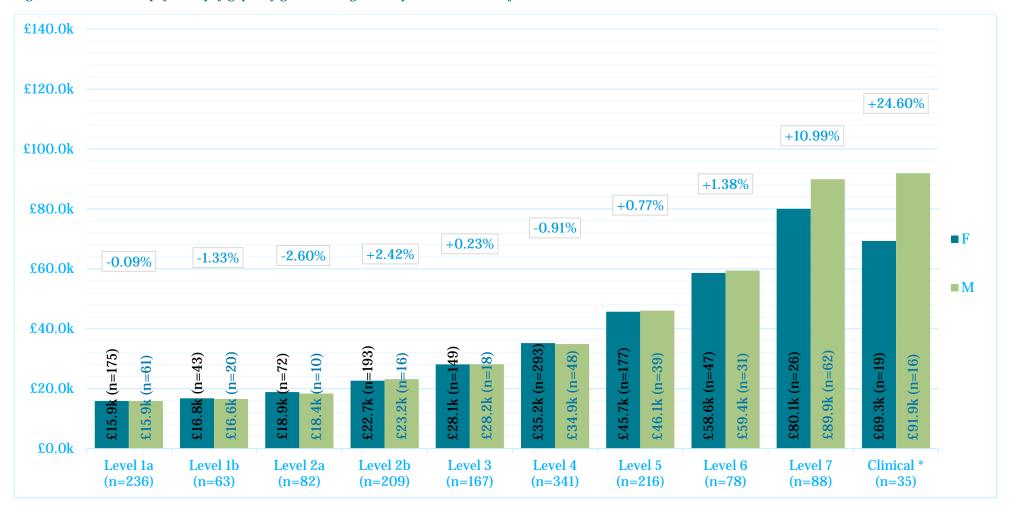


Figure 49 - Median total pay (and pay gaps) by gender and grade of part-time staff only (levels 1-7 and Clinical)

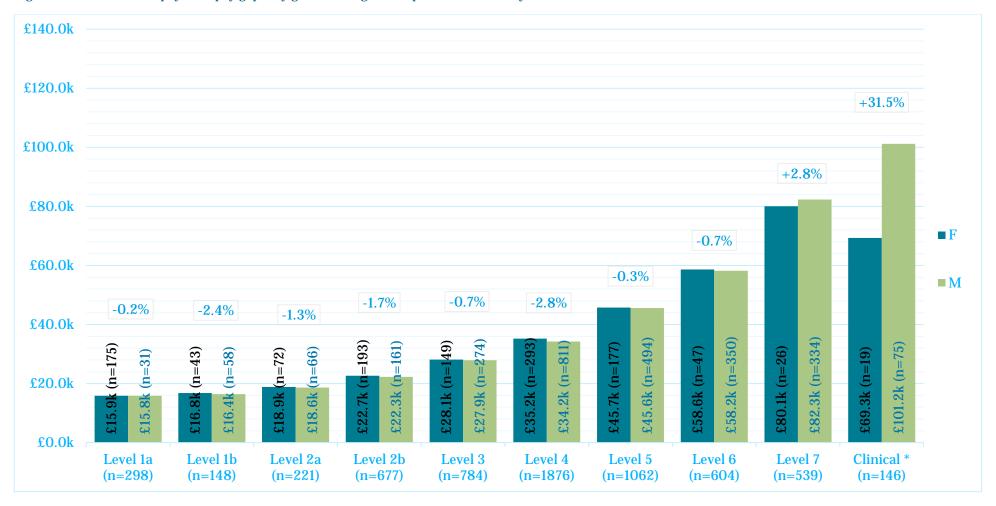


Figure 50 - Mean base pay gap for part-time women compared to full-time men (Levels 1-7)

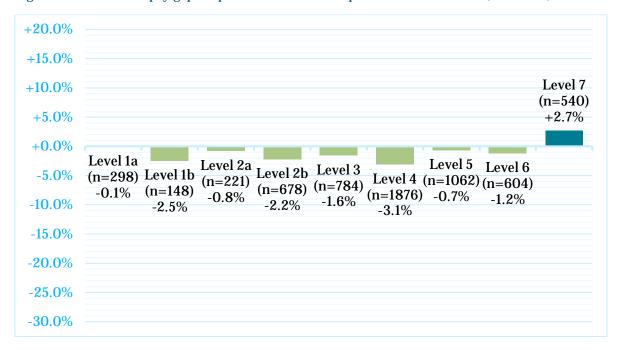


Figure 51 - Median pay gap for part-time women compared to full-time men (Levels 1-7)

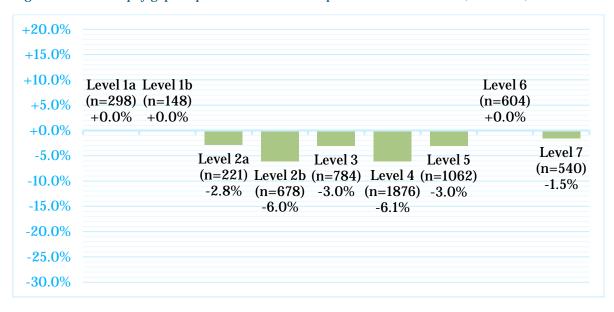
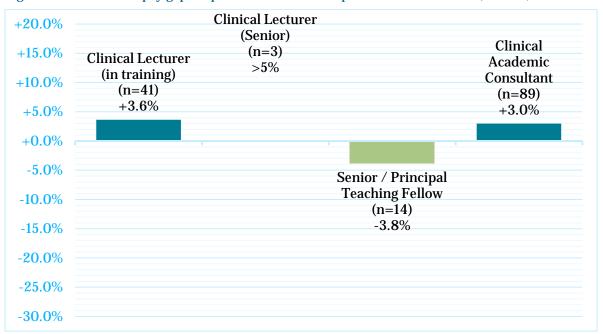
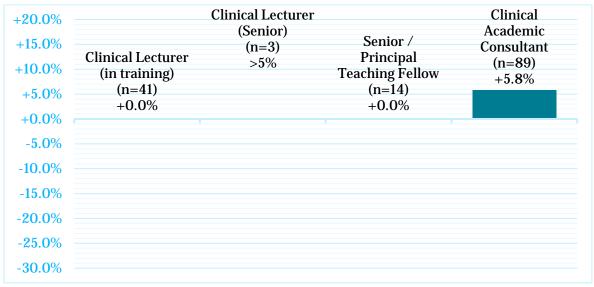


Figure 52 - Total mean pay gap for part-time women compared to full-time men (Clinical)



Note: Clinical Lecturer (Senior) has been redacted due to a population of fewer than five people.

Figure 53 - Total median pay gap for part-time women compared to full-time men (Clinical)



Note: Clinical Lecturer (Senior) has been redacted due to a population of fewer than five people.

#### 3.6 Pay by gender and contract type

Figures 54 to 57 show that the University's gender pay gap (see Section 2.3) is more pronounced amongst employees on open-ended contracts and less pronounced (but still present) amongst employees on fixed-term contracts.

These trends are strongly influenced by the distribution of fixed-term contracts by grade. Figure 58 shows that nearly 65 per cent of the University's 1,618 fixed-term contracts are at Level 4. This serves to exaggerate the University's gender pay gap amongst employees on open-ended contracts because a large number of moderately-paid Level 4 employees are removed from the calculation, putting greater emphasis on higher-paid (disproportionately male) and lower-paid (disproportionately female) employees in the remaining dataset.

What is also apparent from Figure 58 is that women hold a greater proportion of the fixed-term contracts at Levels 2b and 3, whilst holding a lesser proportion of the fixed-term contracts at Levels 4, 5, 6 and 7. It is this tendency that causes the overall gender pay gaps amongst fixed-term employees that are shown in figures 54 to 57. This is a trend that warrants further investigation, given that fixed-term roles — in theory subject to more recent appointment — ought to be less prone to such gender segregation than open-ended roles which are more likely to reflect historical trends.

Figures 59 to 64 examine pay gaps by gender, grade and contract type. The most significant pay gaps are in Level 1a, Level 7 and the Clinical pay groupings. Other gaps in excess of the 5 per cent threshold do exist, but this analysis focuses on these three pay levels.

The +52.9 per cent gap between men and women on fixed-term contracts in Level 1a is generated by just two Level 1a apprentices who, while allocated to Level 1a are employed on different terms and conditions. Closer analysis of pay gaps amongst the eight pay bandings at Level 7 results in gaps being eliminated or restricted to just three groupings (MSA7 (20), ERE7 A and ERE7 C). The gaps within MSA7 are likely to be reflective of both the small population and the wide range of roles and responsibilities within MSA7. Closer analysis of pay gaps between the four grade groupings applied to Clinical staff eliminates or significantly reduces these gaps (mostly to less than the 5 per cent tolerance).

Therefore, whilst some substantial gaps in excess of  $\pm$ 0 per cent do appear to exist, they also seem to be related to the unique natures of the populations in those areas. Nonetheless, more work is required across the board to fully understand these gaps and to reduce or eliminate them, where possible.

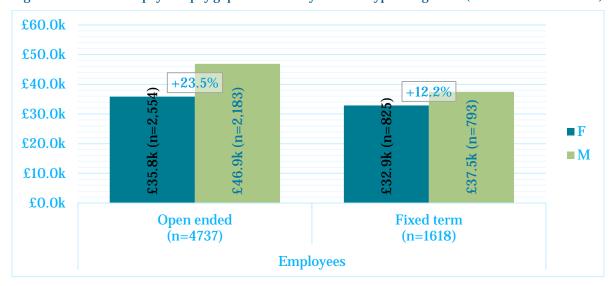


Figure 54 - Mean base pay and pay gap for all staff by contract type and gender (Levels 1-7 and Clinical)

Figure 55 - Mean total pay and pay gap for all staff by contract type and gender (Levels 1-7 and Clinical)

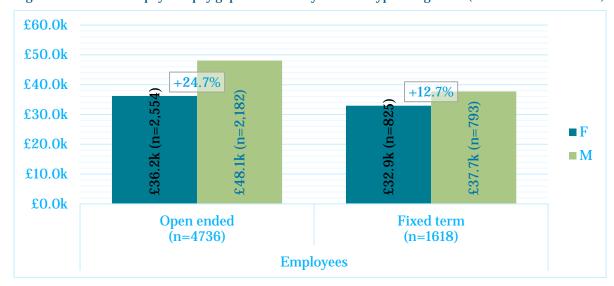


Figure 56 - Median base pay and pay gap for all staff by contract type and gender (Levels 1-7 and Clinical)

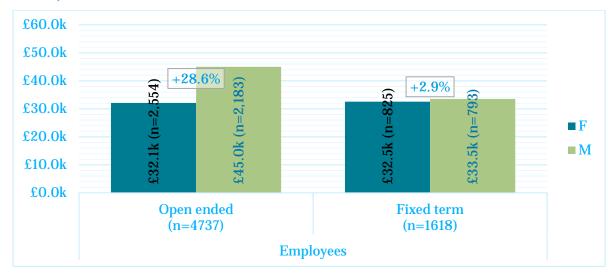


Figure 57 - Median total pay and pay gap for all staff by contract type and gender (Levels 1-7 and Clinical)



Figure 58 – Distribution of fixed term contracts by grade and gender

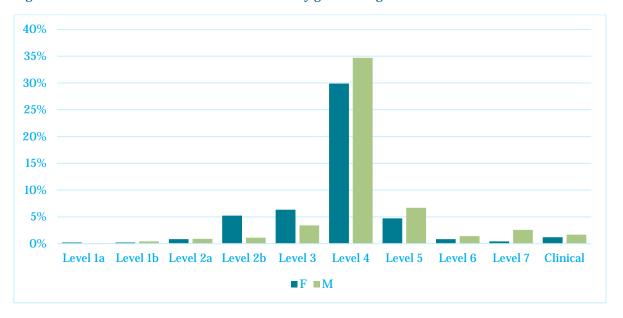


Figure 59 - Comparison of mean base pay gaps between full-time men and women on fixed-term contracts to the pay gaps between full-time men and women on permanent contracts (Levels 1-6 only)

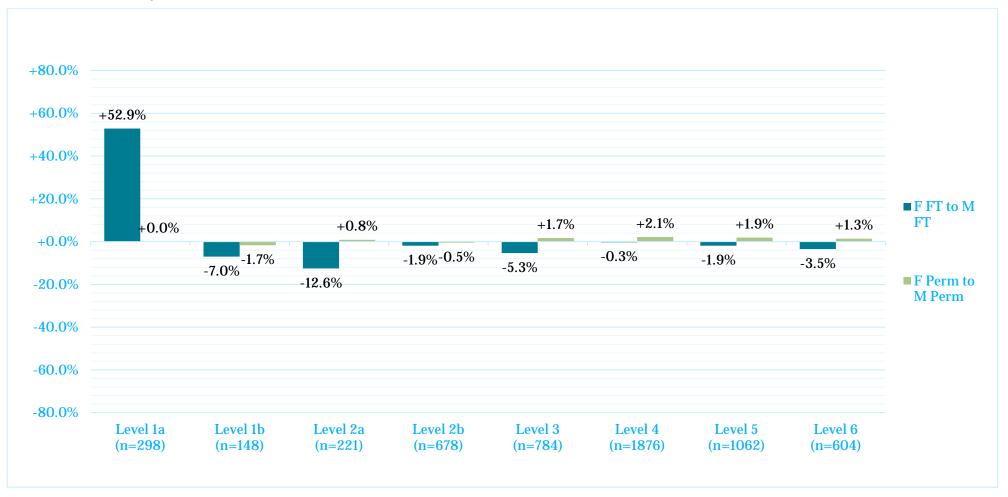


Figure 60 - Comparison of mean base pay gaps between part-time men and women on fixed-term contracts to the pay gaps between part-time men and women on permanent contracts (Levels 1-6 only)

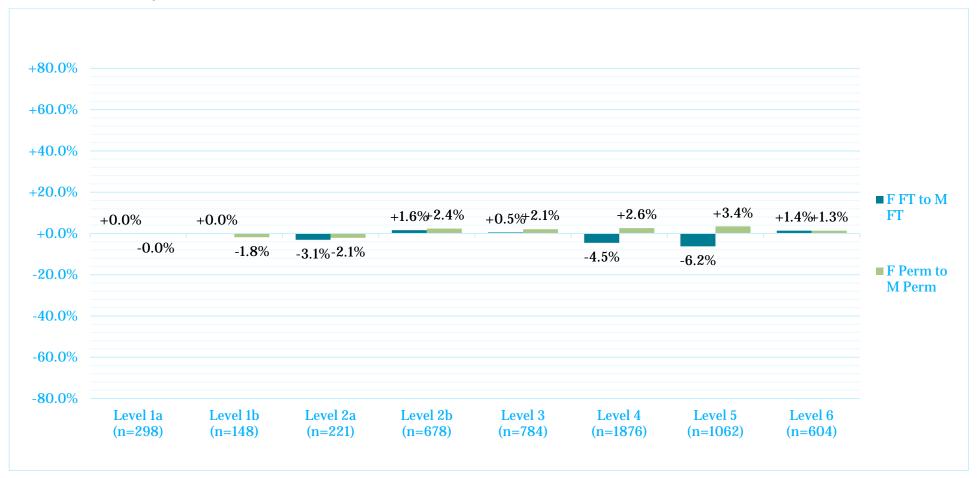


Figure 61 - Comparison of pay gaps between full-time men and women on fixed-term contracts to the pay gaps between full-time men and women on permanent contracts (Level 7 staff only)

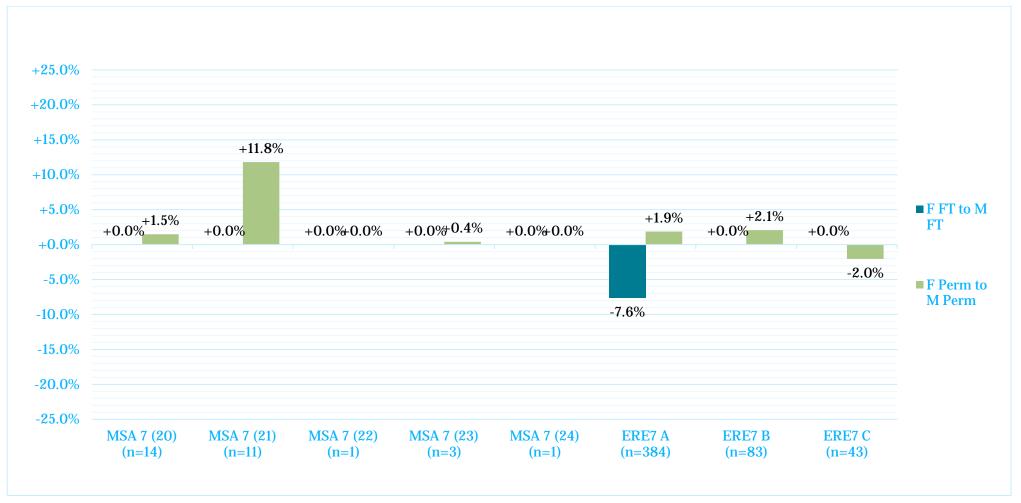


Figure 62 - Comparison of pay gaps between part-time men and women on fixed-term contracts to the pay gaps between part-time men and women on permanent contracts (Level 7 staff only)

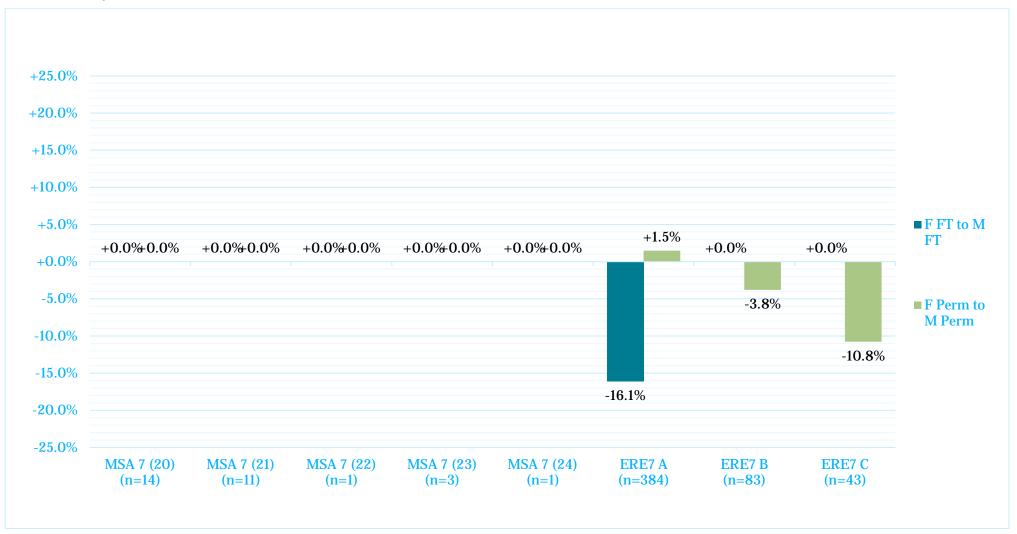


Figure 63 - Comparison of pay gaps between full-time men and women on fixed-term contracts to the pay gaps between full-time men and women on permanent contracts (Clinical staff only)

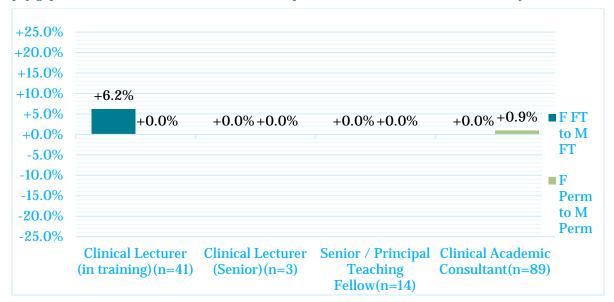
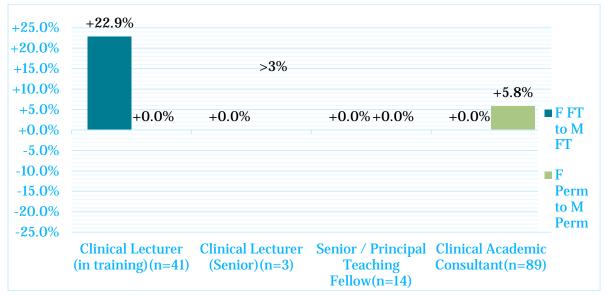


Figure 64 - Comparison of pay gaps between part-time men and women on fixed-term contracts to the pay gaps between part-time men and women on permanent contracts (Clinical staff only)



Note: Clinical Lecturer (Senior) has been redacted due to a population of fewer than five people.

## 3.7 Bonus pay by gender

The University's statutory 2017 Gender Pay Gap report showed mean and median bonus pay gaps of +54.1 per cent and +50.0 per cent, respectively, and that a higher proportion of men than women received bonus pay.

For the purposes of statutory Gender Pay Gap reporting, bonus pay included Clinical Excellence Awards, consultancy payments, Performance Related Pay (under a scheme that has now ceased), Staff Achievement Awards, Vice-Chancellor's Awards (also now ceased in the form of cash payments), royalties and some relocation payments. Together these payments accounted for approximately 1 per cent of the University's staff costs in the last year. High value payments, such as Clinical Excellence Awards (the clear majority of bonus pay by value) and consultancy payments, which are more often paid to men due to more men holding positions eligible for such awards, have a skewing effect on our overall bonus pay statistics for Gender Pay Gap reporting purposes, but little overall impact on our 'total pay' statistics for reporting under the Equal Pay Review.

Staff Achievement Awards are allocated more evenly between men and women, although there remains a tendency for men to receive higher value awards more often than women. There is, however, substantial year-on-year variation in this picture, given the discretionary nature of Staff Achievement Awards.

#### 3.7.1 Clinical Excellence Awards

Clinical Excellence Awards (CEAs) recognise and reward NHS consultants and academic GPs who perform 'over and above' the standard expected of their role. Awards are given for quality and excellence, acknowledging exceptional personal contributions. In order to access a CEA, a clinical academic must have an honorary contract with the NHS.

Therefore, whilst Universities pay CEAs, by virtue of employing clinical academics, these awards are determined and funded by the NHS. Lower-value level 1-9 awards (£3,016 - £36,192 per annum) are decided locally by NHS Employer-Based Awards Committees (EBACs), whilst higher value level 9-12 awards (£36,192 - £77,320 per annum) are decided nationally by the Advisory Committee on Clinical Excellence Awards (ACCEA) and its sub-committees.

The Medical Schools Council (MSC) noted in a <u>2016 report</u> that the relative paucity of women in clinical academic roles at Professor and Reader/Senior Lecturer level translated into there being fewer women holding CEAs. The report also noted that the proportion of each gender holding CEAs was largely similar for locally awarded, lower-value CEAs (24.8 per cent of men and 26.9 per cent of women), whereas a notably larger proportion of men held nationally awarded, higher-value CEAs (41.5 per cent of men and 23.8 per cent of women). The report further noted that, whilst women were less likely to apply for a national level award, when they did apply they were just as successful as men were.

As noted earlier in this report, there is a 68/32 per cent gender split of CEA payments in favour of the University's male clinical academics. In keeping with the national trends identified by the MSC, the University's gender split of local CEA payments was broadly even (20.8 per cent of men and 21.8 per cent of women) whereas national CEA payments show a wide divergence, with 29.6 per cent of men and just 10.9 per cent of women receiving an award.

Figures 65 to 67 show the distribution of CEAs in more detail.

This paper recommends the University engage with its NHS partner to identify if more can be done to increase the representation of women being nominated for, and receiving, Clinical Excellence Awards.

Figure 65 - Mean pay and pay gap of CEA payments split by gender and Clinical pay grouping

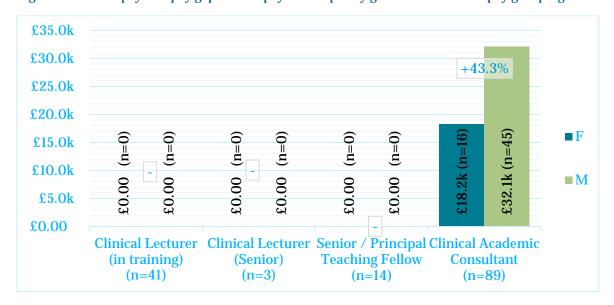


Figure 66 - Median pay and pay gap of CEA payments split by gender and Clinical pay grouping

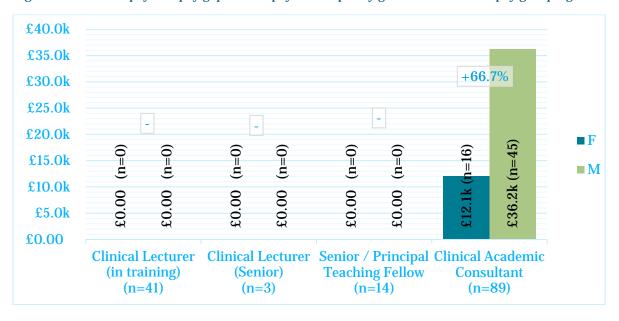
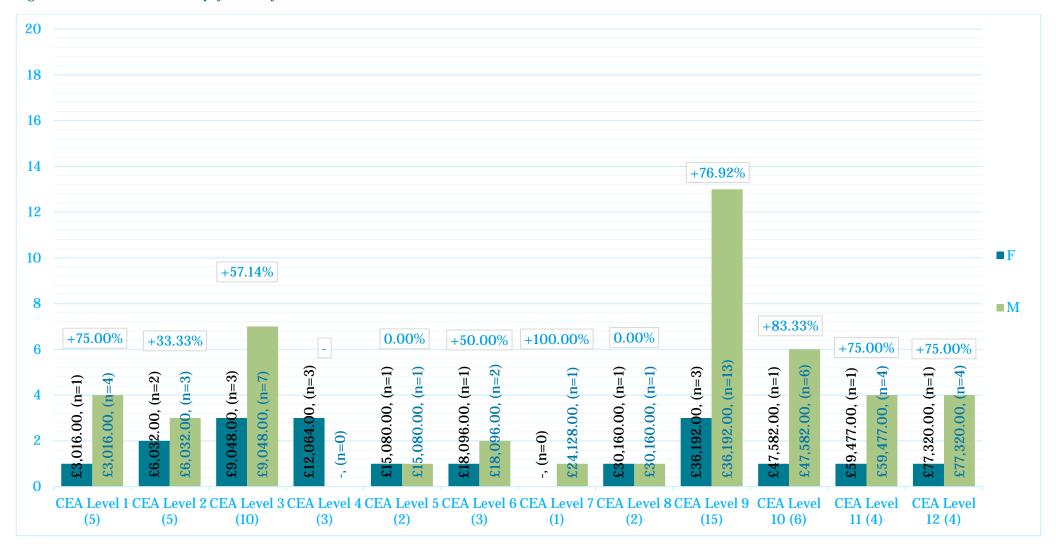


Figure 67 - Distribution of CEA payments by CEA award level



## 3.7.2 Royalty and consultancy payments

The University's approach to remunerating staff for 'consultancy' work is addressed in its <u>Consultancy Policy (2012)</u>. The policy states:

- Faculty Financial practice is governed by the Dean assisted by the Faculty Finance Manager, and surplus income from Faculty-based consultancy activity would normally flow to the "services rendered account" or IDEA account... Under this policy the Dean may agree to disburse money to the benefit of Faculty staff activities (e.g. to help fund post graduate work, conferences, etc.).
- Income may also be disbursed to staff who have contributed to the consultancy activity and this would normally be paid via payroll as one-off payments. The decision to make a reward over and above normal salary lies with the Dean. He/she can consent to a portion of the consultancy revenue being used to remunerate individuals in recognition of the work's value to the Faculty. Use of the staff achievement scheme may also be considered subject to the guidelines within the scheme.

Whilst this review does not question the validity or eligibility of payments made under this policy, this report recommends that the consultancy policy (now five years old), and the processes for determining payments to relevant staff, be reviewed and updated to ensure compliance with equal pay considerations.

Figures 68 and 69 show the distribution of royalty and consultancy payments in more detail.

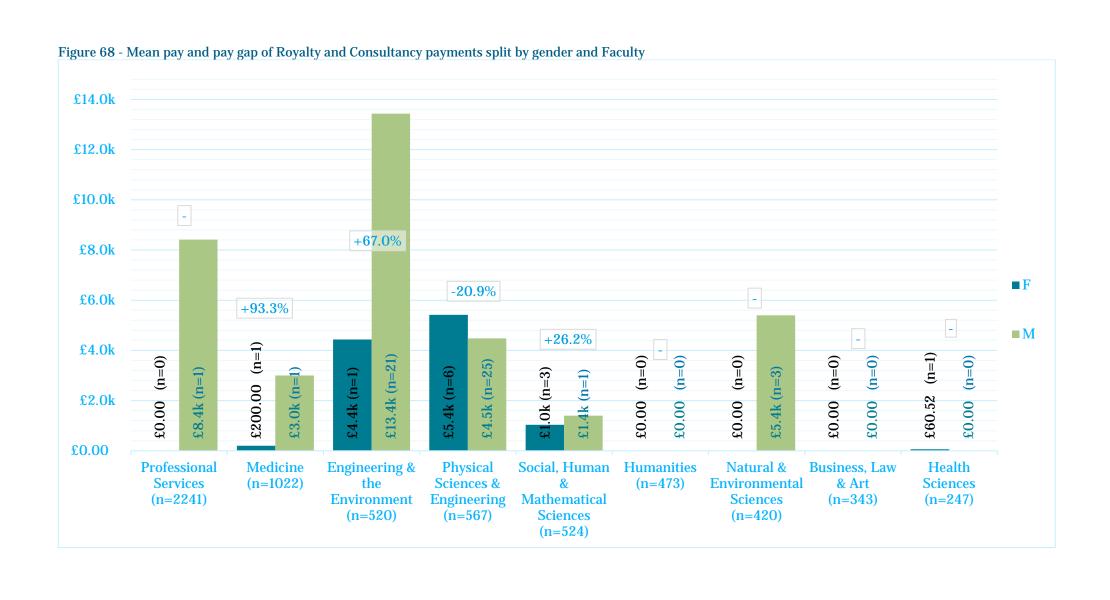
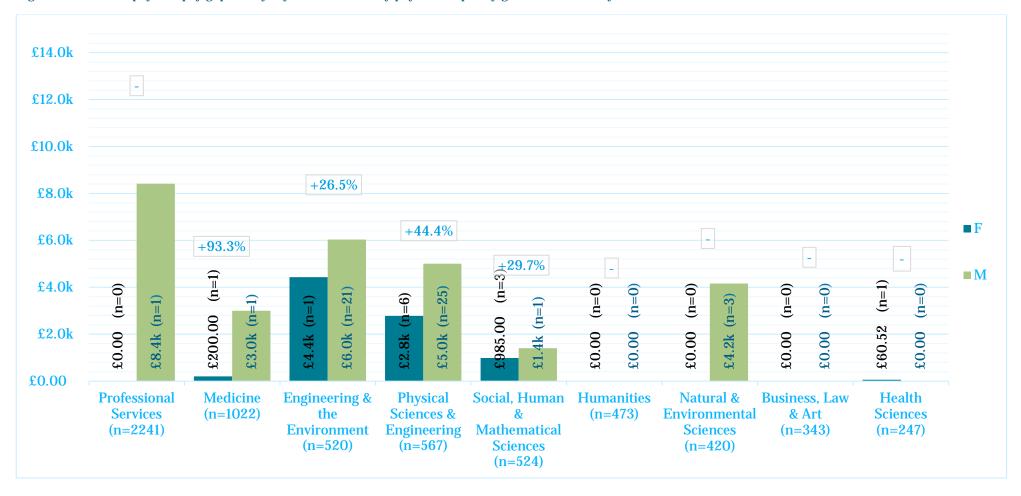


Figure 69 - Median pay and pay gap of Royalty and Consultancy payments split by gender and Faculty



#### 3.7.3 Staff Achievement Awards

The University's <u>Staff Achievement Award policy</u> is designed to reward outstanding achievements from our staff across all levels and all types of role.

The total number and value of Staff Achievement Award payments naturally varies from year to year. Figures 70 and 71 show that men tend to receive more Staff Achievement Awards (collectively) than women, but at a slight lower average value. However, figures 72 and 73 suggest that this may not be the case when data is dis-aggregated to Faculty level. This review therefore recommends that Staff Achievement Awards are subject to greater scrutiny, and that a review of the Staff Achievement Award policy may be appropriate to ensure clarity of purpose and stronger guidance on appropriate award levels.

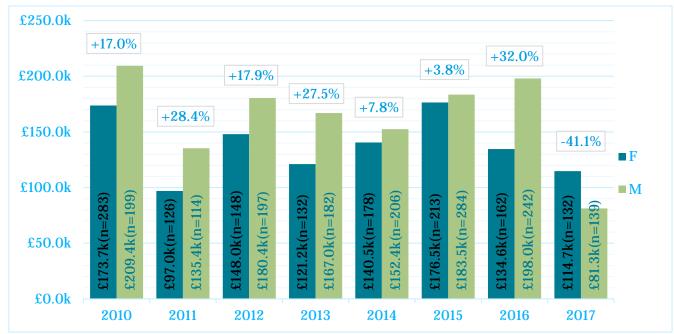


Figure 70 - Total value of Staff Achievement Award payments since 2010

Note: Years shown in this chart are tax years (April-March). Data for 2017 therefore relates to a part-year from April 2017 to December 2017, and is not directly comparable with figures 72 and 73.

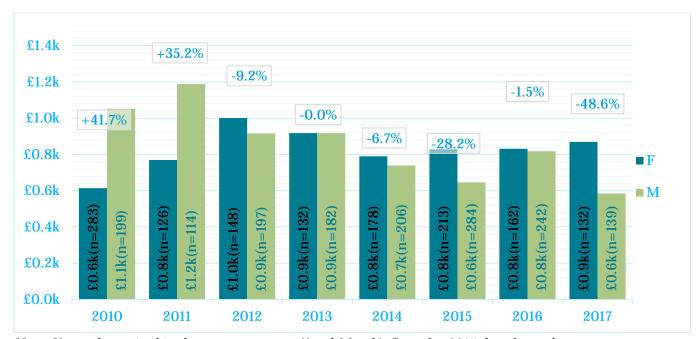


Figure 71 - Mean value of Staff Achievement Award payments since 2010

Note: Years shown in this chart are tax years (April-March). Data for 2017 therefore relates to a part-year from April 2017 to December 2017, and is not directly comparable with figures 72 and 73.

The following charts provide a summary of where Staff Achievement Award payments were being made in the 12 month period up to 31st August 2017.

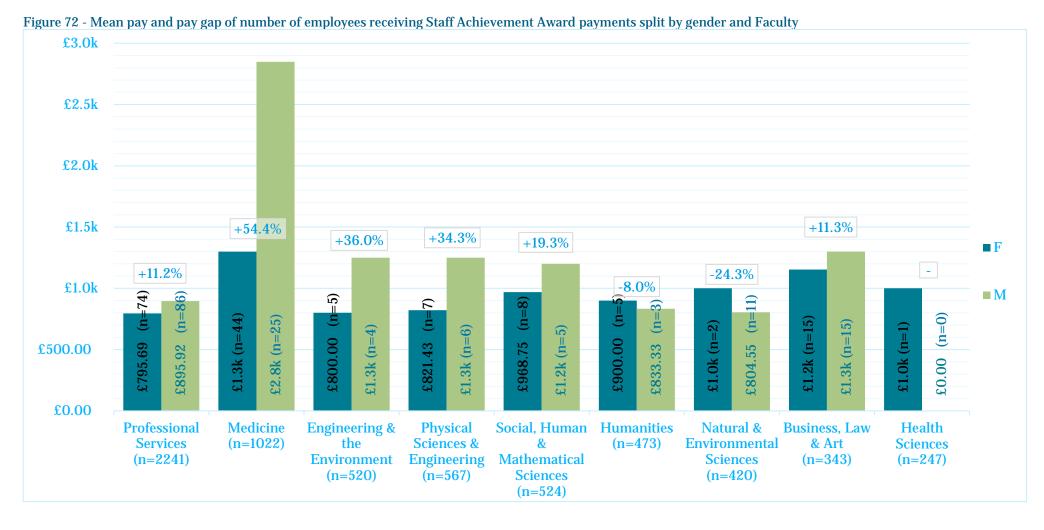
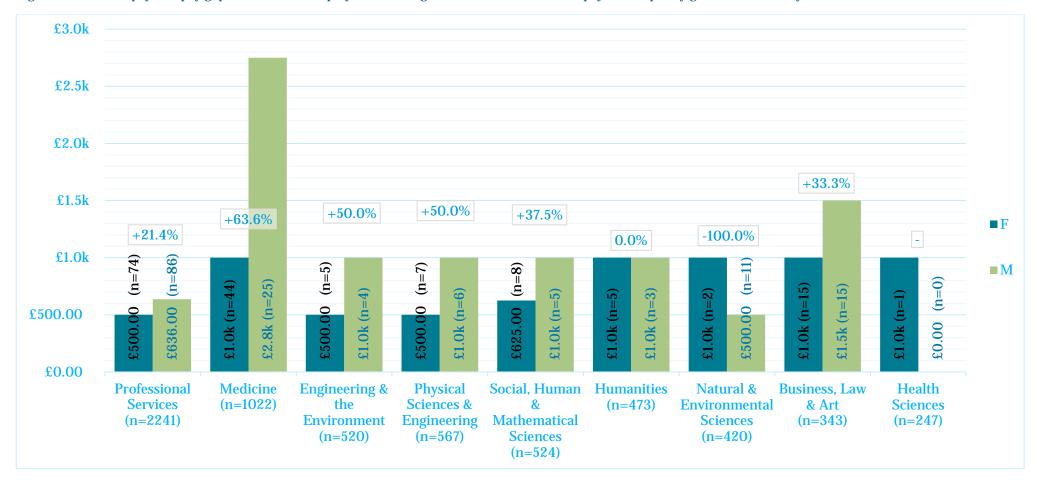


Figure 73 - Median pay and pay gap of number of employees receiving Staff Achievement Award payments split by gender and Faculty



# 4. Findings: Pay by ethnicity

At 13.6 per cent of the University's total workforce, our Black, Asian and Minority Ethnic (BAME) diversity is broadly reflective of wider society (approximately 14 per cent nationally and 14.2 per cent in Southampton in the 2011 census) and significantly greater than Hampshire's BAME population (approximately 7 per cent in the 2011 census). However, this diversity is not reflected equally across pay grades, ranging from 7.4 per cent representation at Level 3 to 33.2 per cent representation at Level 1a.

Figure 74 shows that there are no significant equal pay gaps by ethnicity at Levels 1-6. Figure 75 shows that there are some wider variations at Level 7, which are considered to be strongly influenced by small sample sizes. The 2015 Equal Pay Review noted pay gaps across seven of the nine pay bands reported on, so these 2017 figures appear to represent positive progress.

When rates of pay for all employees are compared irrespective of grade, there are mean and median pay gaps by ethnicity of +9.3 per cent and +5.7 per cent, respectively (in favour of ethnically white employees).

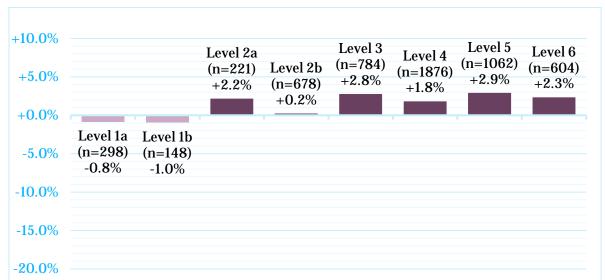
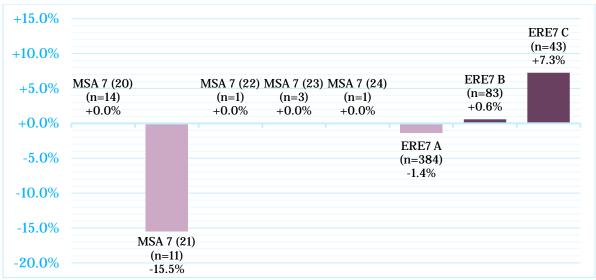


Figure 74 - Mean base pay gap, by declared BAME status and pay level (Levels 1-6)





Note: The Vice-Chancellor has been removed from these comparisons as there is no equitable comparator role within the University. Including the Vice-Chancellor in this data has no effect on the ERE7 C pay gap, which remains +7.3 per cent.

Clinical Academic +15.0% Consultant (×Clinical Academic +10.0% Consultant (n=89)+5.0% +2.7% +0.0% Senior / Principal Clinical Lecturer **Teaching Fellow** -5.0% (in training) (×Senior / (×Clinical **Clinical Lecturer Principal** Lecturer (in -10.0% (Senior) (×Clinical Teaching Fellow training) Lecturer (Senior) (n=14)(n=41)(n=3)-1.0% -15.0% -1.2% >3% -20.0%

Figure 76 - Mean base pay gap, by declared BAME status and pay level (Clinical)

Note: Clinical Lecturer (Senior) has been redacted due to a population of fewer than five people.

More in-depth analysis of pay by ethnicity is limited by low sample sizes, which are often too small to allow for meaningful analysis at lower levels of aggregation. However, the following observations are made from a wider review of the data:

- Analysis of pay by ethnicity and age shows that BAME salaries closely track White salaries within the 5 per cent tolerance at all age groups, except at age 65+ when there is a significant jump to +45.3 per cent (based on a BAME population of 10 staff out of 175 staff in this age range).
- Analysis of pay by ethnicity and length of service indicates that BAME mean base salaries are generally aligned with White salaries around a 5 per cent tolerance. However, as length of service increases, BAME representation drops and pay gaps widen. At 20-30 years service there is pay gap of +17.7 in favour of ethnically White employees (BAME representation is 5.5 per cent of this group); at 30+ years service there is a pay gap of -42.7 per cent in favour of BAME employees (BAME representation is 1.8 per cent of this group). Such wider variation emphasises the difficulty of analysing small groups with low levels of representation.
- Starting salaries for BAME staff are generally aligned with the starting salaries of ethnically White employees within the 5 per cent tolerance, ranging from -1.1 per cent variance to +3.7 per cent variance across Levels 1 to 6. At Level 7, the gap increased to +12.5 per cent, whilst across the individual Clinical groupings, the only pay gap was -7.3 per cent.

## 5. Findings: Pay by disability

Despite relatively high levels of formal disclosure (91.9 per cent of staff have disclosed their disability status), only 3.4 per cent of the University's total workforce have declared a disability. This is significantly lower than in wider society (approximately 18 per cent nationally) and Hampshire's declared disabled population (approximately 16 per cent).

The University recognises that there is likely to be a difference between 'local' line management knowledge of employee disabilities (i.e. for managing reasonable adjustments *etc.*) and those disabilities that may (or may not) be formally recorded on MyHR. An employee's disability status may change over time but – as diversity data tends to be captures at a single point in time – formal records may not capture this. There is also evidence to suggest that certain employment groups may be less willing to declare disabilities, with disclosure rates noticeable lower amongst staff in the CAO job family. Finally, under-representation may also simply be the result of the University not recruiting a proportionate number of people with a disability.

The University is committed to taking action to promote self-disclosure of disability status and to reassure colleagues of the security and purpose of processing disclosed information. This will be included in the action plan/recommendations.

Whilst this review shows equal pay gaps by disability of more than 5 per cent in two of our grades, these are again strongly influenced by small sample sizes. When rates of pay for all employees are compared irrespective of grade, there are mean and median pay gaps by disability of +10.6 per cent and +11.1 per cent, respectively (in favour of non-disabled employees).

Figures 77, 78 and 79 show that there are two grades (Level 1a and Level 2a) where equal pay gaps by disability exceed the 5 per cent tolerance level. Both instances are significantly impacted by very low representation in these populations (8 staff of 298 in Level 1a and 6 staff of 221 in Level).

More in-depth analysis of pay by disability is severely limited by low sample sizes, which are, in most cases, too small to allow for any meaningful analysis at lower levels of aggregation.

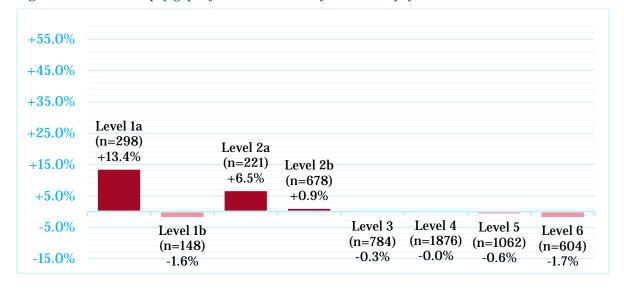
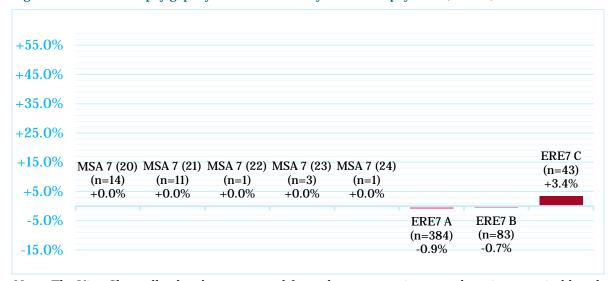


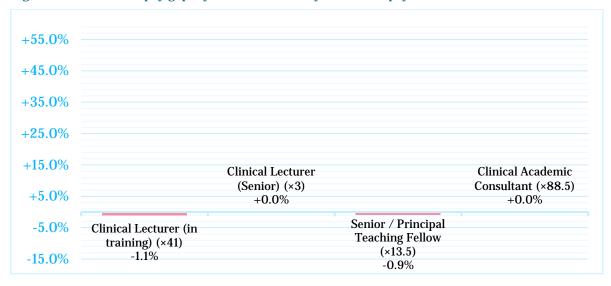
Figure 77 - Mean base pay gap, by declared disability status and pay level (Levels 1-6)

Figure 78 - Mean base pay gap, by declared disability status and pay level (Level 7)



Note: The Vice-Chancellor has been removed from these comparisons as there is no equitable role within the University. Including the Vice-Chancellor in this data has no effect on the ERE7 C pay gap, which remains +3.4 per cent.

Figure 79 - Mean base pay gap, by declared disability status and pay level (Clinical)



#### 6. Conclusions

The University is committed to pay and conditions free from discrimination through our <u>Equal Pay Policy</u>, the <u>Universities and Colleges Employers Association (UCEA) framework agreement</u> and equal pay legislation.

On the basis of the data presented in the 2017 Equal Pay Review, the University believes it can, at an institutional level, demonstrate that it provides equal pay for work of equal value with respect to gender, ethnicity and disability.

However, this Equal Pay Review has also identified mean and median pay gaps by gender of +21.5 per cent and +13.7 per cent, respectively, when rates of pay for all employees are compared irrespective of grade. Our 2017 statutory Gender Pay Gap return also showed mean and median gender pay gaps of +20.2 per cent and +17.4 per cent respectively.

The University is confident that these gender pay gaps do not stem from paying men and women differently for work of equal value, but instead reflect the significant gender differences of occupations across the University and the attrition of women at higher pay grades. The underlying reasons for this are many and varied, and reflect cultural and structural situations both within the University, and in wider society, that will take time to change.

The University has taken action steps to address these trends, implementing changes to our wider reward policies (including career pathways, appraisal and promotions processes), with an understanding that all staff require proactive encouragement and support to make the most of the career development opportunities available to them. There have also been targeted initiatives aimed at supporting women to progress at a faster rate.

There is evidence that measures put in place to increase the representation of women at higher grades are having a positive effect, having doubled the number of women in Level 7 roles in the last decade, and with increased female representation at every grade from Level 4 upwards over the same period. Furthermore, 40 per cent of current Executive Board Members are women (whilst acknowledging that the President and Vice-Chancellor and our three Vice-Presidents are male).

However, the continued presence of a gender pay gap, and the apparent existence of a 'glass ceiling effect' (see Sections 3.3 and 3.4 of this report), mean that continued and sustained work is needed to address gender imbalances at all levels, including the under-representation of men in Professional Services, and at Levels 1-3 in particular. This work may include further consideration of how effectively the University's wider reward policies support these stated aims, with further investigation and action if systematic flaws are present.

With respect to ethnicity, disability and other protected characteristics the University has a clear commitment to diversity and inclusiveness. Continued efforts to encourage positive disclosure (including re-disclosure) of diversity data, as well as action to improve overall representation across the University will help to support and evidence this commitment. Any such action will need to be mindful of the potential impact of the incoming General Data Protection Regulations, and the "right to be forgotten", which may promote variable disclosure rates as people take more direct control over their personal data.

# 7. Recommendations and action plan

To follow once finalised and agreed.