



Gender and Ethnicity Pay Gap 2018

The UCL gender pay gap in context

Like most large employers in the UK, UCL has traditionally attracted and employed more men in senior posts than women, and more women than men in lower paid jobs. As a result the average salary of men across UCL has always been higher than the average salary of women. This is generally known as a 'gender pay gap'.

“We are working hard to further reduce our gender pay gap and are developing a new Talent Strategy to ensure that we support all our staff to achieve their full potential.”

Fiona Ryland
Executive Director of HR



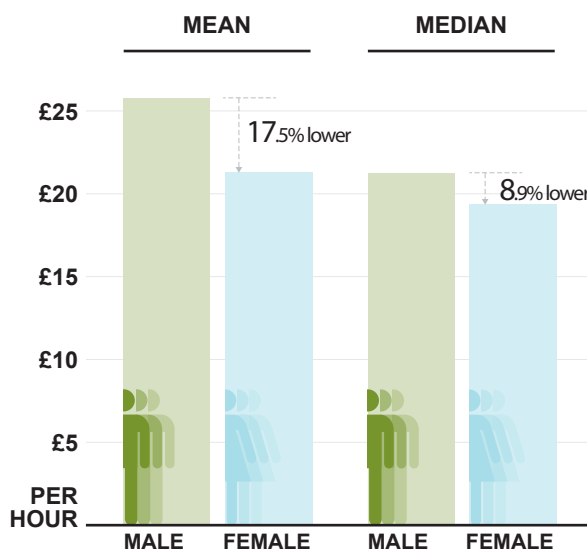
UCL has reduced the mean gap from 19.5% in 2013 to 17.5% now, largely as a result of proactive measures to encourage more women to seek internal promotion and to apply for our senior roles; and to ensure pay decisions take account of the need to close the existing gap. Our participation in Athena SWAN¹ means that we have ambitious institutional and departmental gender equality action plans in place. Initiatives are also driven forward by our equality, diversity and inclusion (EDI) networks and overseen by our '50:50' (gender equality) committee, co-chaired by two members of the UCL Senior Management Team.

It should be noted that UCL has no significant 'equal pay gap' i.e. staff receive equal pay for work of equal value in every pay grade across the university. This is very different from looking at the gender pay gap across the workforce as a whole. Staff in higher graded jobs as a matter of course get paid more than staff in lower graded jobs. The key is to aim for more equal numbers of men and women in senior roles. That does present a considerable challenge given the structure of our current workforce and our low staff turnover rates. However, we believe it is achievable.

We know that the gender pay gap is caused by historical recruitment trends and wider norms in society. Yet we need to better understand and address the more complex factors behind it at UCL as much as we are able to. Given our commitment to equality, diversity and inclusion, the presence of a gender pay gap remains a very disappointing reality and one that we want to remove as fairly as we can and as soon as we can.

We recognise that, for a small but growing number of people, gender does not simply refer to male and female. For the purposes of this report, however, our gender pay gap is calculated using the approach required by the regulations.

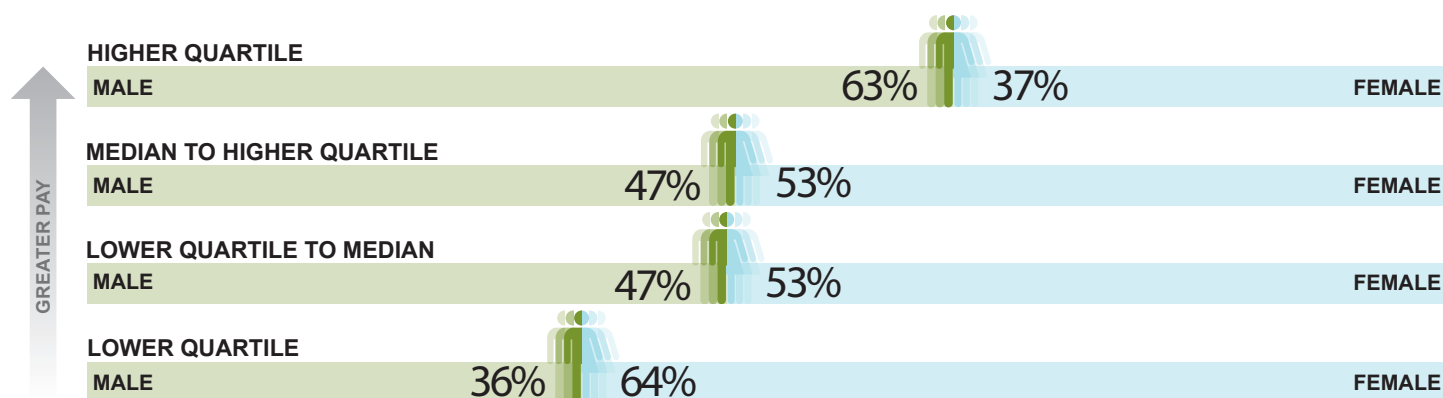
1. The Athena SWAN Charter is focused on advancing gender equality in higher education. UCL is one of only thirteen universities in the UK to hold a Silver award.



The fact that the mean gender pay gap is significantly higher than the median gap highlights that there are a number of highly paid male staff pulling up the male mean and impacting the percentage difference.

Quartile positioning – gender

As with many organisations, and the economy as a whole, the key factor behind UCL's gender pay gap is the imbalance of men and women across job levels.



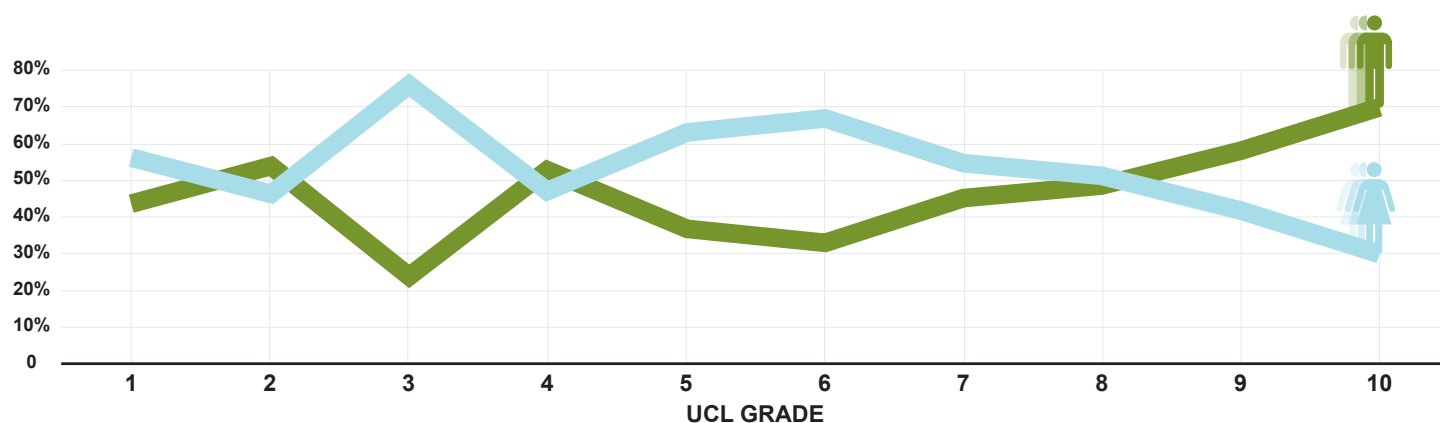
Analysis

UCL has a 10 grade structure and, in common with many organisations, as the grade increases the proportion of female employees reduce. The lower quartile hourly rate of pay at UCL is £16.90, which approximately equates to grade 6 and below. We can see that below this lower quartile 64% of staff are women. The upper quartile hourly rate of pay is £26.11, which equates to the top of UCL's grade 8 and above. We can see a reversal from the lower quartile demographic, with female employees only accounting for 37% of staff above the high quartile. In terms of a single staff group this is perhaps best highlighted by UCL's professors where 72% are male and 28% are female. If 50% of professors were women then the gender pay gap would be reduced significantly.

This distribution is the overwhelming reason for the mean and median pay gap. This is separate from equal pay, which is the measurement of pay gaps for work of equal value. Where equal pay has been measured historically there have nearly always been no significant gaps and UCL does not have a fairness issue in terms of equal pay for work of equal value. However, where UCL do have an issue is the distribution of staff amongst its grades, as detailed on the next page.



Proportion of male and female staff by grade



Analysis

The graph shows that at grade 3 and below the proportion of female employees significantly exceeds males. More tellingly, above grade 6 the proportion of male employees rises steeply with a corresponding sharp decrease in the proportion of female employees. Once we get to grade 10 this leaves women being significantly underrepresented – with a 70/30% split.

Essentially, female staff are more likely to be employed in roles within the lower half of the UCL grading structure and less likely to be employed in roles within the top half the UCL grading structure which is the overwhelming reason for the gender pay gap.

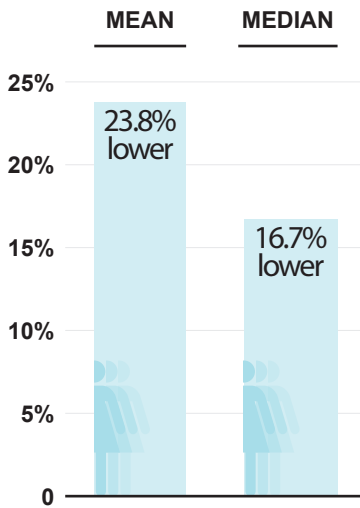
In 2013 UCL provisionally reported on its gender pay gap and, at that stage the mean gap was 19.5%. Demographics have changed slowly over time, but more action is needed to increase diversity at higher levels of the organisation which will directly lead to a reduction in the gender and ethnicity pay gaps. For example in 2013 only 23% of professors were female (and this is around the same proportion as is currently the case across the Russell Group). At UCL the proportion has increased to 28%.

This is a relatively significant shift but clearly more needs to be done if an even split is to be achieved. This is a substantial task and not one that can be accomplished easily. For example, to have a 50:50 split amongst professors, the next 200 male professors to leave UCL would need to all be replaced by women. That is perhaps even more difficult given the traditionally low turnover of staff.

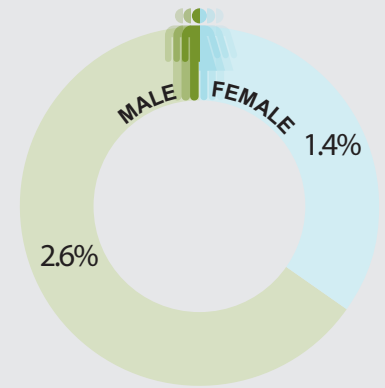
UCL's internal promotions process has had a positive effect on representation. For example last year 39% of those promoted to professor were female, which has increased the proportion of female professors. It is hoped that the introduction of the new academic career framework will help accelerate this and enhance diversity further.

Bonus pay

% Mean and Median female bonus lower than male bonus



Proportion of males and females receiving bonus



Analysis

UCL actually pays comparably few bonuses (under 250 in total), as increases are more typically consolidated rises to base salary. The majority of bonuses contained within this figure are Clinical Excellence Awards (CEAs) – payments agreed and funded by the NHS to reward exceptional clinical work. At UCL the majority of clinical consultants who could receive CEAs are male and this is the reason for the increased proportion of males receiving bonuses. While more men received bonuses than women in 2016/17 this is based on a very small sample, which creates issues with data validity.

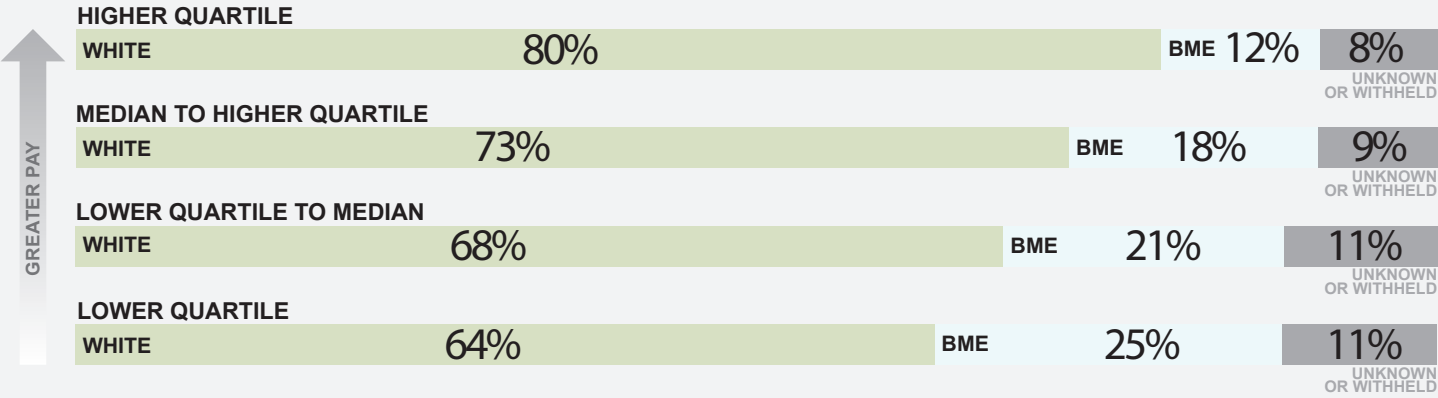
The bonus level figure is again based on a very small number of bonus payments, the majority of which are CEA's. The CEA's are on average much higher than any other bonus payment and more likely to be paid to men. If CEA's are removed from the bonus calculations, to focus only on payments that UCL have control over, then the average (mean and median) bonus for women is significantly higher than the average paid to men.

Ethnicity pay gap

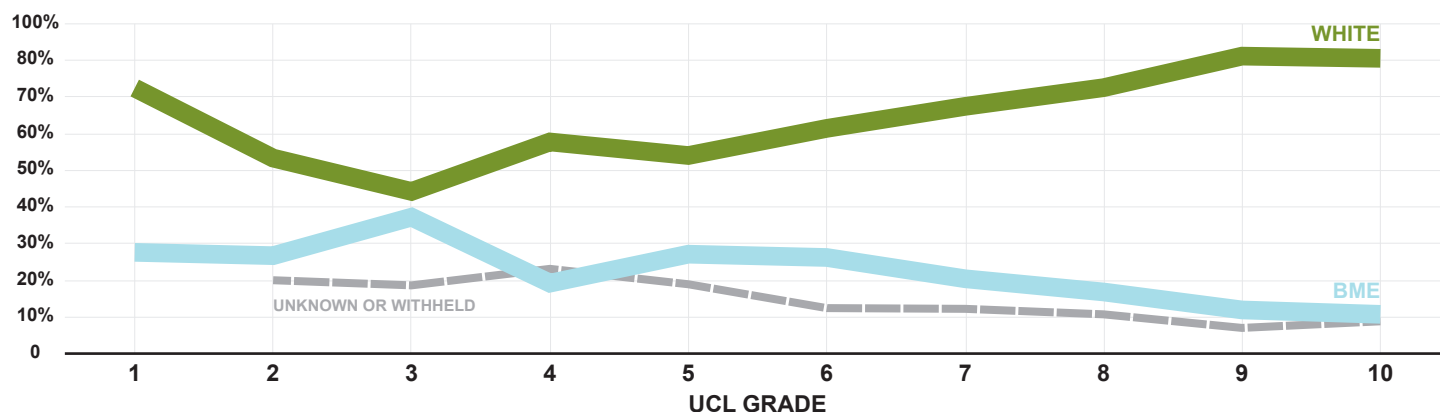
Mean and median ethnicity pay gap



Quartile Positioning – ethnicity



Proportion of white and BME staff by grade



Analysis

Comparable to the distribution of male and female staff, we can see a noticeable drop in the proportion of BME staff as we move up each level from grade 5. This is where the overwhelming majority of UCL staff are and is the cause of the ethnicity pay gap.

As with gender, the distribution and decreasing level of diversity at senior levels is the overwhelming reason for the pay gaps by ethnicity. We are aware that the reasons for the differential are likely to be very different, but this is the issue that needs to be addressed.

Again, comparable to gender, where equal pay has been measured historically there have nearly always been no significant gaps by ethnicity and UCL does not have a fairness issue in terms of equal pay for work of equal value.

Unlike gender, as organisations are not required to report their ethnicity pay gaps, it is more difficult to obtain reliable benchmark data to compare our position. We will work with others, particularly in the Russell Group, to try and understand how our gap fits in with the wider picture.

“These figures show us that we have a long way to go to achieve true equality for our BME staff. They vindicate our introduction of measures to ensure that all employees achieve their potential, irrespective of gender and ethnicity.”

Professor Ijeoma Uchegbu
Provost's Envoy for Race Equality



Actions

There are a range of organisational and societal reasons causing the gender and ethnicity pay gap which need to be addressed. UCL is moving towards its target of having 50/50 male/female representation at grades 9 and 10, but we acknowledge that progress should be quicker. The following summarises our key objectives and example actions already undertaken.

Objectives

- Bold recruitment – applying positive action measures to the widest possible pools of talent
- Flexible working – including senior job shares, to hang on to talent
- Shared parental leave – addressing inequality in caring responsibilities
- Minimising sexual and gender-based harassment – responding better and preventing
- Supporting career progression and improving talent spotting – removing unnecessary systemic barriers to promotion and development
- Inclusive leadership – reducing implicit bias, valuing different contributions of talent and leadership, and enabling a culture of sponsorship

Actions taken

- Utilising ‘tie-break’ provisions, implementing robust obligations on search firms, pioneering a sector-leading Fair Recruitment Specialist initiative
- Ensuring flexible working and job-shares are systemically offered to all candidates
- Offering generous leave for fathers and promoting senior male role models with caring responsibilities
- Establishing a Preventing Sexual Misconduct Strategy Group to help ensure all women have a positive experience in the workplace and do not leave academia
- Introducing a new academic career framework for more equal advancement of academic careers, piloting talent management frameworks, making local promotions procedures more transparent, supporting research active academics returning from parental leave
- Developing an Inclusive Advocates sponsorship programme, delivering wide-spread implicit bias training, offering leadership training for under-represented groups

