

Gender Pay Gap Report 2019

Background

From April 2017 employers with more than 250 employees are required to publish their Gender Pay Gap information - a legislation from which Scottish Universities are exempt. Nevertheless, the University of Aberdeen has been publishing its Gender pay Gap to ensure commitment to eradicating any pay gaps and to help inform our policies and practices.

The Gender Pay Gap concerns differences in the mean and median earnings between females and males in an organisation, regardless of their role or seniority. It is different to Equal Pay, which is a legal requirement for males and females to be paid the same for performing the same or like work or work that has been rated as equal value under a job evaluation scheme.

Data

The analysis for the Gender Pay Gap is based on all posts held by full pay.¹ relevant employees as at a 'snapshot date' of 31st March 2019 whereas the data for Gender Bonus Gap is based on bonuses received during the 12 months prior to 31st March 2019 (regardless if the employees are full-pay or not).

As per the Gender Pay Gap regulation, the data we report on includes:

- The mean gender pay gap (the difference in the mean pay of full-pay* males and females, expressed as a percentage)
- The median gender pay gap (the difference in the median pay of full-pay* males and females, expressed as a percentage)
- The mean bonus gender pay gap (the difference in the mean bonus pay of males and females, expressed as a percentage)
- The median bonus gender pay gap (the difference in the median bonus pay of males and females, expressed as a percentage)
- The proportion of males and females who received bonus pay
- The proportion of full-pay males and females in each of four quartile pay bands.

Bonuses analysed within the report include: Remuneration Committee payments and consolidated and non-consolidated contributions awards.

For employees with non-standard working hours (zero hours, guaranteed minimum hours, casual workers) the number of hours is based on the average number of hours worked over the 12 weeks ending with the last complete week of the 31st March 2019 pay period.

Non-monetary benefits cannot be included in the Gender Pay Gap reporting. Salary sacrifice arrangements are regarded as a non-monetary benefit therefore deductions for salary sacrifice are excluded from an employees' base pay for the purposes of Gender Pay Gap reporting.

¹ Full pay relevant employee refers to employees who, during the relevant pay period, are not being paid at a reduced or nil rate as a result of being on leave; which includes annual leave, maternity, paternity, adoption, parental and shared parental leave, sick leave and special leave.

Aberdeen University Gender Pay Gap

The University of Aberdeen is committed to inclusivity and diversity which is one of the key strands of the Aberdeen 2040 strategy.

Our university is open to all. We will welcome staff and students of all backgrounds, and will connect with our communities and partners, locally, nationally and internationally. Our commitment to inclusion will guide our education, our research, and the projects we deliver. We aspire to lead our sector in promoting health and wellbeing, and celebrating diversity.

There are 3475 employees at the University of Aberdeen who are eligible to be included in this Gender Pay Gap report; 1968 females and 1507 males. The University's 2019 mean Gender Pay Gap is 20.6% and median is 22.4%. In April 2019, the University reported its Gender Pay Gap for the previous year (2018) which was 22.7% (median) and 22% (mean). Overall, the mean Gender Pay Gap has reduced since the reporting started in 2017 by 2%.

As illustrated in the below table, the mean Gender Pay Gap has reduced since the reporting started.

Year	Mean (%)	Median (%)
2019	20.6	22.4 👢
2018	22.03 👢	22.7 👚
2017	22.4	22.2

While we recognise that there are complex societal and occupational factors which have a direct impact on gender pay gap, the University is committed to eradicating any pay gaps. In the sections below, we outline some of the measures we are taking to address the Gender Pay Gap.

It is important to recognise that closing the gap or reducing it to an acceptable 5% level should be seen as a long term strategic objective. The University acknowledges that there are many factors that can contribute to the discrepancies and it is therefore important that we monitor the different data elements impacting Gender Pay Gap and implement meaningful actions. Within this report we explain the different gaps, why they exist and what action we have taken / will be taking to eradicate the gap.

The University Gender Pay Gap includes all grades and applicable posts. It is a common practice among some institutions to outsource the services undertaken by the lower graded staff (cleaning, catering, or security). Outsourcing prevents these posts to be included in the Gender Pay Gap calculations which makes the gap lower in some institutions. The University of Aberdeen values its employees and has made a strategic decision not to outsource the lower paid jobs; furthermore it pays the employees the Voluntary Living Wage rates (£9.30 - 2020, £9 - 2019) which benefits our employees as we offer a higher rate of pay than the Government's National Living Wage. If the above mentioned posts were outsourced, the mean Gender Pay Gap would drop to 19.5% from 20.6% and the median would drop to 20.7% from 22.4%.

MEAN & MEDIAN GENDER PAY GAP (the difference in mean / median full pay, expressed as a percentage)

Total number of employees (by gender)		
Males Females		
1507	1968	
Total Number of Employees 3475		

Mean hourly rates	
Males	Females
£19.46	£15.45

Median hourly rates	
Males	Females
£17.27	£13.40

Gender Pay Gap	
Mean	Median
20.6%	22.4%

In 2019, there were 43% of males and 57% of females who were considered to be full pay relevant employees for the purpose of this report. Hourly rates of pay were calculated for this sample after excluding salary sacrifice pay elements as required by the Gender Pay Gap reporting methodology. The findings demonstrate that female's hourly rate of pay is 20.6% (mean) and 22.4% (median) lower than male's hourly rate of pay.

MEAN & MEDIAN GENDER BONUS GAP AND THE PROPORTION OF MALES AND FEMALES WHO RECEIVED BONUS PAY (the difference in mean / median bonus pay, expressed as a percentage)

Mean Bonus	
Males	Females
£2,518	£2,335

Median Bonus	
Males	Females
£2,000	£1,705

Gender Bonus Gap	
Mean	Median
7.29%	14.75%

Proportion of staff who received bonus pay	
Males	Females
2.06%	2.08%
31	41

In 2019 we have seen a decrease in consolidated and non-consolidated bonuses (contribution awards and Remuneration Committee payments) awarded to staff. In 2018, there were 46 awards allocated to males, this figure decreased to 31 in 2019. The number of bonuses awarded to females also dropped from 54 in 2018 to 41 in 2019. The decrease in the number of consolidated and non-consolidated bonuses is thought to be caused by the contributions awards being split from the promotions process.

The 2019 mean and median female's bonus pay gaps were lower than male's bonus pay gaps (7.29% and 14.75% respectively). This shows an increase in the difference between male's and female's mean and median bonuses from -0.04% in 2018 to 7.29% in 2019 (mean) and from 2.82% in 2018 to 14.75% in 2019 (median). Due to small number of employees receiving bonuses, the gap in this area is more susceptible to change. An overall reduction in bonus payments has also impacted on this gap.

THE PROPORTION OF FULL PAY RELEVANT MALES AND FEMALES IN EACH OF FOUR QUARTILE PAY BANDS

Lower Quartile	
Male	Female
276	593
31.76%	68.24%

Lower Middle Quartile	
Male	Female
334	535
38.43%	61.57%

Upper Middle Quartile	
Male	Female
371	498
42.69%	57.31%

Upper Quartile	
Male	Female
526	342
60.6%	39.4%

The disproportion of males and females in each of the quartile pay bands (females clustered in lower grades) mainly accounts for the reported Gender Pay Gap. As in the previous years, the lower and lower mid quartiles continue to represent a disproportionate number of females (over 61% and 68%) in such lower paid roles as domestic staff, cleaners, admin assistants. The most balanced representation of females (57.3%) is within the upper mid quartile. In comparison with 2018, there has been an increase in the number of males within the lower and lower middle quartiles (from 31.31% to 31.76% and from 35.89% to 38.43% respectively). The upper middle quartile saw an increase in the number of females from 56.46% to 57.31%. However, the upper quartile continues to represent majority of males (60.6% - slight decrease from 61.1% in 2018).

When considered within their individual quartiles, the mean gaps within the first three quartiles remain below 4%, however for the upper quartile, the mean pay gap is 7.02% which represents a decrease in comparison with 2018 which was 9.12%. The median gaps for lower and upper quartiles are above 5% (5.63% and 5.09% respectively). The gender distribution across these quartiles continue to have a negative effect on gender pay across the institution in favour of males.

Factors affecting the Gender Pay Gap within Aberdeen University

The factors that influence the Gender Pay Gap within the University remain the same as in the previous years and are explained in detail in the paragraph below.

1. Under and Over - Representation of females at different levels, including Professorial staff

Organisations which pay males and females equally at each level of seniority can still have a Gender Pay Gap because females are under-represented at senior posts or over-represented in lower grade and mid-level posts. If females are under-represented, the ratios are highly impacted by even small changes in the high level posts, for example, high earning female(s) leaving the organisation.

Tenure and length of service are some of the defining characteristics of academics within HE institutions. Within Aberdeen University, this is reflected in the differences in average professorial pay for staff with more than 5 years' service.

There are very few differences between male and female average professorial pay for staff with less than 5 years length of service. The changes in pay gap among the Professorial staff are driven by yearly flow trends into this cohort, whereby experienced female and male leavers at higher pay are replaced through promotions. In addition to promotions, higher numbers of new appointments made were males, and new appointments tend to start off their tenure at a higher pay point than promoted staff. It should be noted that the differences in remuneration or the number of females or/and males recruited by the University are driven by the merit of applications and candidates' academic track record. We believe that our recruitment processes are based on objective criteria and are free from unconscious bias.

The University of Aberdeen continues to address this issue through improved training and support for female staff, to improve the promotion rate to professor level.

2. Over-representation of females in low and mid-level posts

The analysis of the different quartiles demonstrates that the University of Aberdeen has a vertical pay gap as a result of males and females clustering at different levels in the University. At the lower quartiles, there are at least 68% of female who are engaged in lower paid domestic, clerical or research assistant roles. The upper quartile have a significantly higher number of males. The disproportion of the distribution of females and males in the different quartiles / roles results in gender occupational segregation which directly impacts on the pay gap. This imbalance of gender can suggest that females are facing a 'glass ceiling' which prevents them from entering / receiving promotion into the higher posts that are mainly occupied by males.

Our commitment to eradicating the gap

The University acknowledges and continues to address the Gender Pay Gap. We are committed to promoting fairness and equality within all parts of the workforce and we will take appropriate, tangible action to close our Gender Pay Gap.

The below information lists the actions that the University has taken or is planning to take in order to address any pay inequalities.

- In February 2020, the University launched its new Aberdeen 2040 strategy which includes our commitment to eliminating pay gaps across all protected characteristics.
- In 2020 we will undertake a robust Equal Pay audit which will follow all criteria required for the audit as per the <u>JNCHES</u> and the <u>Equality and Human Rights Commission</u> guidelines
- In 2019 we made further improvements to our promotions process to provide greater transparency and support to our staff. We also invited Trade Union representatives to join the Promotions Committees as observers. Furthermore, the Promotions Annual Review group will continue their work in early 2020 to formulate recommendations for a broader review of promotions process for implementation in the 2020/2021 promotions round.
- In 2020 we will also rebrand and further promote the contributions process which should lead to increased participation rates for both females and males.
- In 2019 we introduced a regular pay gap monitoring (including the gap at School level) to support a range of activities, including monitoring the professorial gender pay gap, informing the recruitment process, supporting Athena Swan applications and considering the impact of the promotions process on our pay gap.
- We support working parents which is echoed in our family friendly policies; we offer shared parental leave, job sharing, purchase of additional leave and flexible working to help parents return to work.
- We are developing an Social Bias Observer scheme within the University in which a member
 of staff trained in Unconscious Bias will sit within a promotions / regrading panel and highlight
 any biased behaviour or comments. Guidance is being developed for the committees' members
 and the Observers, as well as a bespoke Observer training that will be delivered by the
 Learning and Development team.
- Within our 2019/20 promotions and regrading process we will continue with a Blind Review of anonymised applications to reduce the potential for unconscious bias and ensure that all interviewers/panellists have undergone unconscious bias training.
- We continue to monitor gender balance and appropriate and proportional representation of gender on promotion panels and influential committees, including Promotions Committees & Senate
- We will continue to deliver the unconscious bias training to University employees
- We maintain our commitment to Athena SWAN principles which are reflected in numerous
 activities across the University. The University holds an institutional Bronze award in
 recognition of the work undertaken to support gender equality.
- We ensure that females have the opportunity and ability to progress their careers within the
 University through talent management and on-going personal development. We offer
 mentoring and coaching programmes to our employees, and although they are available to
 all, the uptake is largely female employees.
- The Schools continue to nominate female staff to participate in the Leadership Foundation's Aurora Leadership Development Programme. Aurora is women only leadership development

- initiative which aim to engage women with leadership development at an earlier stage in the careers.
- The Senior Women's Network continues to be popular. This network meets to identify and address the issues that are central to career development for female colleagues and particularly those in, or aspiring to, senior positions.
- We continually review our pay & reward policies to ensure transparency and equality
- In 2018 we established the Parent's Network which provides suggestions to the University regarding how it could improve support for colleagues who are juggling careers with raising children
- International Women's Day is celebrated each year at the University with a conference comprising internal and external speakers and posters/exhibitions. Our specific aim in hosting this event is to raise the profile of issues that are central to career development for female colleagues at both local and national levels.
- To support the University gender balance, we have advertised vacancies widely including on specific diversity media and instructed head-hunters to be mindful of the need to achieve a gender balance.
- We participated in the government consultation led by UCEA on the proposal to introduce a
 mandatory ethnicity pay reporting. We believe that this reporting will help us to look at the issue
 of intersectionality within the University and focus on addressing any issues with meaningful
 actions that will impact on all target groups across ethnicity and gender.