

Equality, Diversity & Inclusion Annual Report 2022-23

Appendix – Equal Pay Audit as of 30th June 2023

Prepared by: HR Systems Resourcing and Reward November 2023

WELCOME

The University of Westminster has long supported the principles of equal pay for work of equal value and our annual Equal Pay Audit builds on the University's commitments to equality, diversity and inclusion, as well as our Sustainable Development goals, in particular Gender Equality and Reduced Inequalities. The Equal Pay Audit forms part of a range of activities that support monitoring and provide analysis and recommendations to the EDI Committee. In line with our University values, we choose to go beyond our statutory obligations and review pay gaps across the full range of protected characteristics.

Westminster will be known as a place where everyone can bring their whole self to work or study and know they belong – our commitment to equality, equity, diversity and inclusion is at the core of how we engage with everyone.

All Westminster colleagues and students will be in a supportive and safe learning and working environment which is equitable, diverse and inclusive, is based on mutual respect and trust, and is a place where harassment and discrimination are not tolerated.

As a responsible institution, we strive to ensure and to champion equality. As a progressive institution, we take pride in our diversity. As a compassionate institution, we commit to an inclusive culture that allows students and colleagues to reach their full potential.

Regular, clear and transparent equal pay monitoring helps to support these key aims and objectives.

INTRODUCTION

What is an equal pay audit?

An equal pay audit is an analysis of an organisation's pay structure in order to compare the pay of colleagues undertaking equal work within the same pay grade, and therefore identify any equal pay gaps. Any identified gaps can be reviewed, addressed and where applicable, explained or eliminated.

Benefits of undertaking an equal pay audit;

- Ensure compliance with the Equality Act 2010
- Go beyond our statutory duties to report more widely on a full range of protected characteristics
- Identify and investigate any gaps and seek to eliminate any gaps that cannot be satisfactorily explained on objective grounds
- Publicly highlight our on-going commitment to equality, diversity and inclusion
- Ensure equal pay is embedded in University wide policies and processes
- Make recommendations to the EDI Committee and wider University as a whole
- Report on and have an overview of any trends within our pay structures over a number of years
- Ensure consistent, fair and transparent pay structures across the University

This audit is undertaken in line with JNCHES guidance "Equal Pay Reviews: Guidance for Higher Education Institutions" as revised in 2018. This guidance notes that there will be practical constraints on what is possible, with regard to known data on all equality considerations and also recommends that HEI reviews should address equal pay, in respect of part-time employees to reflect legislation on prevention of less favourable treatment for such colleagues.

Methods for calculating the pay gap

Data is extracted from the People, Culture and Wellbeing (PCW) SAP system and all colleagues have their salaries converted to a Full Time Equivalent (FTE) so we are comparing like for like salaries. Within each pay grade the average salary within that grade is calculated and other salaries within the pay grade are compared against this. We then review the relevant comparators for each protected characteristics group e.g. male and female in the case of gender pay gap, to establish if there are any significant gaps.

Pay gaps over 5% are considered to be significant and require further investigation. Gaps under 5% can be caused by natural movements between grades, starters and leavers to the University and general fluctuations within the overall colleague profile.

The final reports produced indicate the percentage value of any pay gaps, shown as below;

Gender: +% means gap in favour of male group (females paid less), -% means gap in favour of female group. **Ethnicity**: +% means gap in favour of white group (diverse groups paid less), -% means gap in favour of diverse groups.

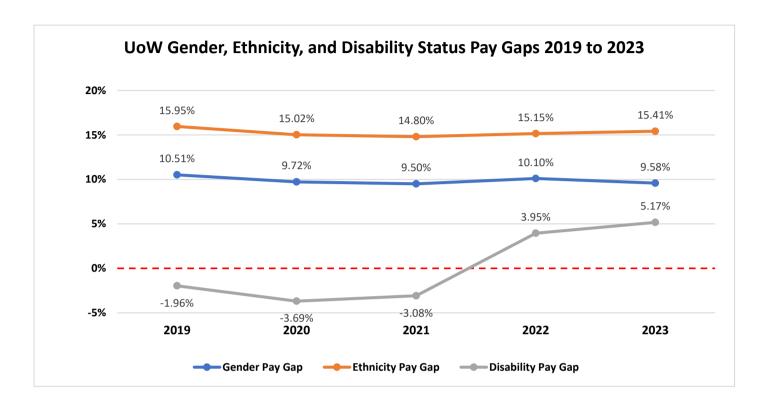
Disability: +% means gap in favour of non-Disabled group (disabled group paid less), **-%** means gap in favour of Disabled group.

All data was taken on the snapshot date of 30 June 2023.

NB: this review does not look at bonus payments. This is covered by Gender Pay Report as published.

Historical overview of Equal Pay Audit findings

The University has been undertaking Equal Pay Audits since 2010, initially every two years but they have been undertaken annually since 2018. This has allowed us to build up a clearer picture of trends over the years, but also ensure we can review, disseminate and act on any findings year on year. This year is the 10th Equal Pay Audit undertaken by the University.



The overall Gender and Ethnicity Pay Gaps have remained very steady over the last 5 years. The relative size of the groups explains the greater fluctuation in the Disability Status Pay Gap. As the group identifying as having or previously had a Disability is significantly smaller, changes of only a few individuals can have large effects on the overall calculation.

In the context of a Higher Education Institution that has undertaken pay modernisation, as Westminster has, what we find year on year is that there are few significant pay gaps within grades. The overall pay gaps are reflective of the distribution of different groups across pay grades e.g. in the case of gender, the distribution of men and women across the grades. This may raise issues in relation to equality and diversity, which are important and require action, but are outside the scope of the equal pay review itself.

CONCLUSIONS AND RECOMMENDATIONS

The main conclusion from carrying out this Equal Pay Audit is that the University does not have any significant need for concern over equal pay issues when comparing employees within the same pay grade.

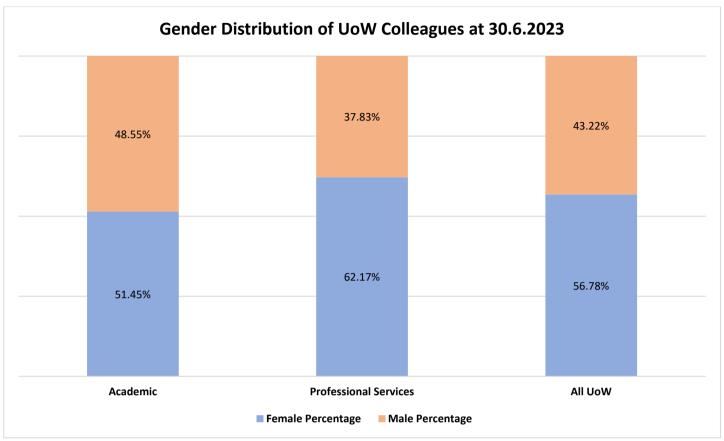
Where any significant pay gaps (above 5%) were identified within individual pay grades, further investigation and analysis showed that there were justifiable reasons for these.

2023 Audit Recommendations

November 2023

- 1. To recommend EDI Committee give consideration to appropriate methods for increasing and improving data held on protected characteristics, particularly in regard to sexual orientation and religious belief. To also consider whether any improvements could be made to disclosed disability data, working with University colleague networks as appropriate.
- 2. For EDI Committee to consider in particular whether there should be any targeted methods of increasing and improving data within senior leadership roles to reduce any unknown or unrecorded data, to increase understanding of diverse profiles within senior leadership roles e.g., encouraging colleagues at a senior level to review their personal data disclosure.
- 3. To recommend EDI Committee continue to promote targeted programmes e.g. EDI Development Programme, to support further diversification of the workforce at the University. This is particularly required within the lower and upper quartiles in order to address the rebalancing of distribution when it comes to gender and ethnicity within the pay structure. Recommend annual review of programmes and activities to assess impact on gender and ethnicity pay gaps.

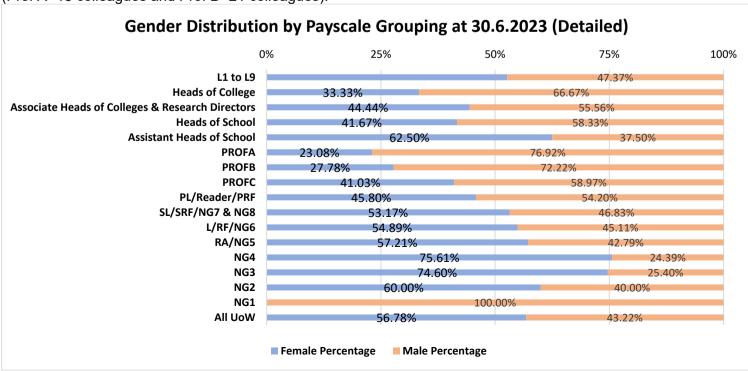
GENDER-Distribution



Gender distribution at the University and particularly within Academic colleagues is fairly evenly balanced.

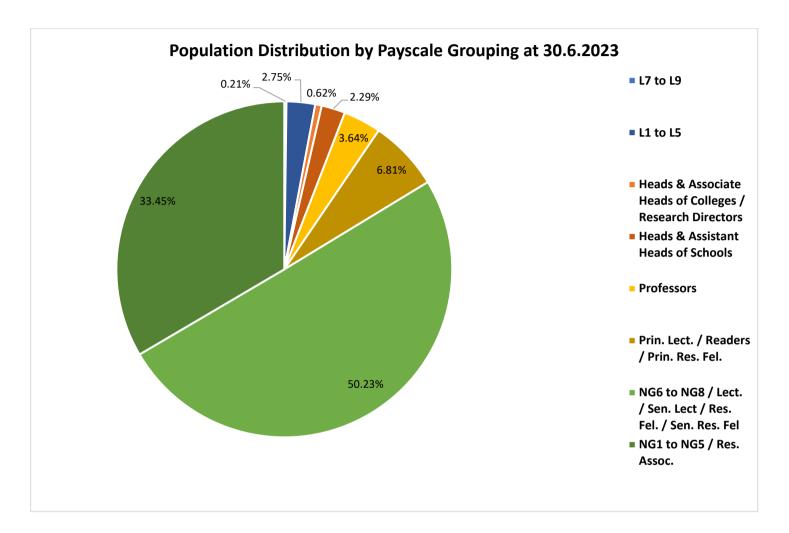
Professional Services roles have for some time been dominated by female colleagues, although we know the majority of NG2, NG3 and NG4 roles are held by females suggesting distribution of male and female colleagues within Professional Services is not evenly balanced within the grading structure, and a disproportionate number of female colleagues are within the lower grades. (NG1 roles are held entirely by male colleagues although there are only 13 role holders within this grade).

There are significantly less females within Prof A and Prof B pay grades, although these are relatively small groups (Prof A -13 colleagues and Prof B- 21 colleagues).



While there are some significant differences in Gender Representation within certain Payscale Groupings such as Professors, these are often relatively small Payscale Groupings i.e., there are small numbers of colleagues paid within these groups.

When we look at roles graded from NG1 up to NG5/Research Associate, the payscale grouping makes up over one third of UoW Colleagues but is almost two thirds Female. As this is also the lowest level of Payscale Grouping this has a significant effect on the overall Gender Pay Gap.



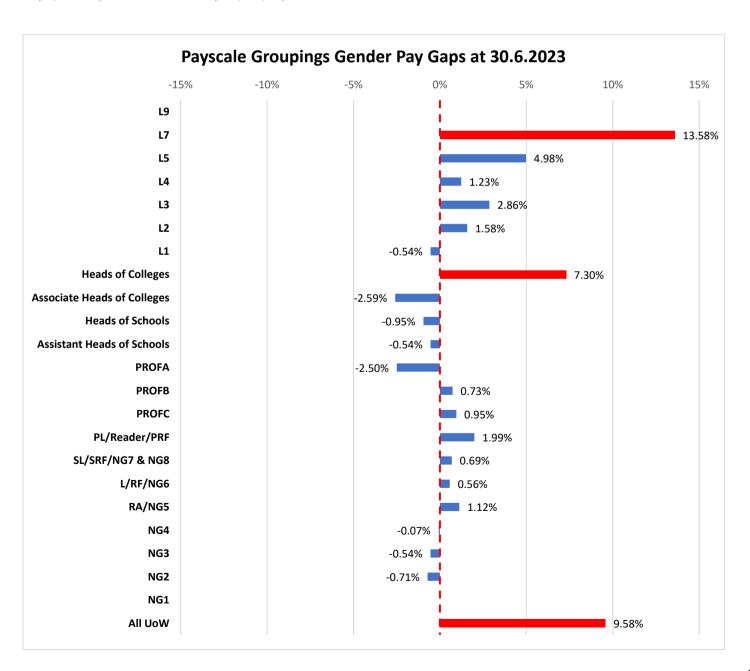
GENDER- Equal Pay Review

There are two identified pay grades where there could be a potential equal pay concern, where it has been identified that male colleagues within the pay grade are paid more than female colleagues by more than a 5% differential.

Within Level 7 there are only three individuals, so the pay gap can be explained by one individual salary being larger, supported by a business case at the time of appointment, and subject to annual review and scrutiny, subject to Remuneration Committee and Higher Education Senior Staff Renumeration Code (CUC) code of practice. There is on-going recruitment for two of these roles, meaning there is currently an opportunity to reduce the pay gap.

Within Heads of College, again there are only three individuals, with one a more recent starter so the pay gap can be explained by two individuals having higher salaries due to having more experience within the role and market forces. There have been recent changes to colleagues within this grade, meaning the pay gap is likely to be different in the next Equal Pay Audit.

Where no pay gap is identified this would mean either male and female colleagues are paid the same, or that there is no female representation within that group. We know there is no female representation within Level 9 (1 person), nor within NG1 (13 people).

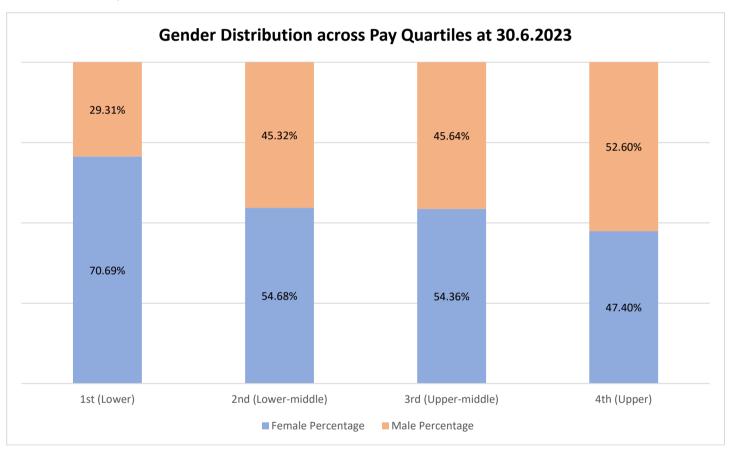


GENDER- University pay gap

The previous data confirms that the University does not have any significant need for concern over equal pay issues when comparing male and female colleagues within the same pay grade.

The overall results for all colleagues (full and part time) based on gender identified that female colleagues are paid less on average than male colleagues, by <u>9.58%.</u> This represents a small decrease on last year's pay gap of 10.1%. It is not uncommon for pay gaps to go up or down within a percentage or two year-on-year. Natural movement between grades and starters or leavers can cause the overall pay gap to fluctuate.

The pay gap can be attributed to there being fewer female colleagues in more senior roles, and fewer male colleagues in the lower quartile of the pay grades. This is particularly prevalent within Professional Services where the lower quartile is dominated by women. Improvements in the overall gender pay gap at the University would need to be driven by an increase in women in senior roles, as well as an increase in male colleagues within the lower quartile.

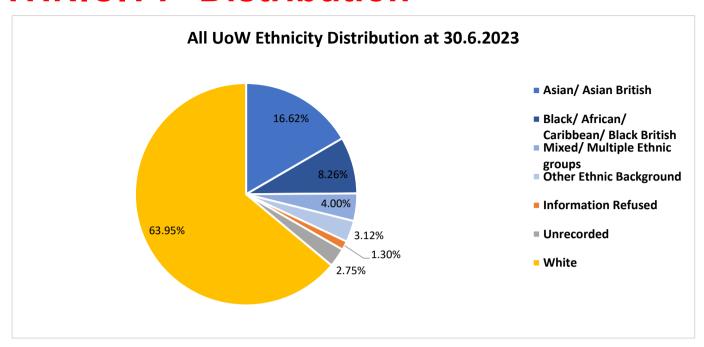


If we break the gender pay gap down by Academic and Professional Services roles, we can see that our academic profile has a less than 5% pay gap between male and female colleagues.

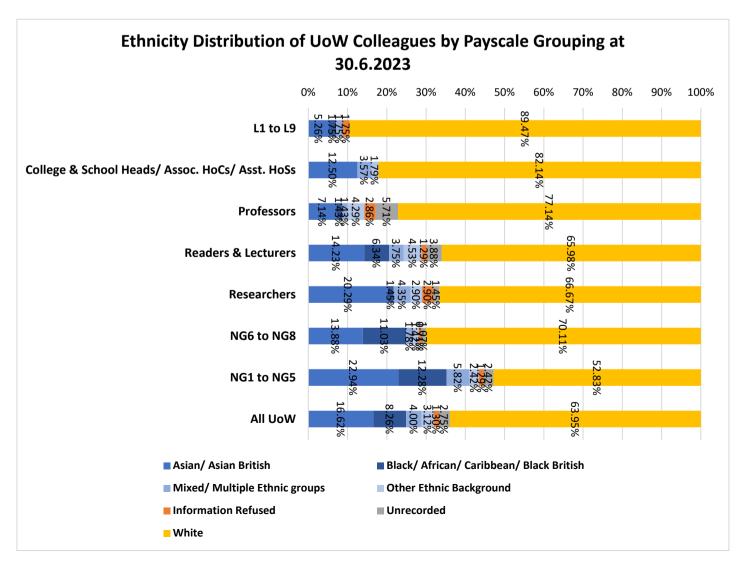
	Gender Pay Gap
Academic	4.30%
Professional Services	9.26%
All UoW	9.58%

The University's overall gender pay gap still compares favorably with the national gender pay gap of 14.9% (UCEA 2022), as well as the Higher Education gender pay gap of 13.7% (UCEA 2022).

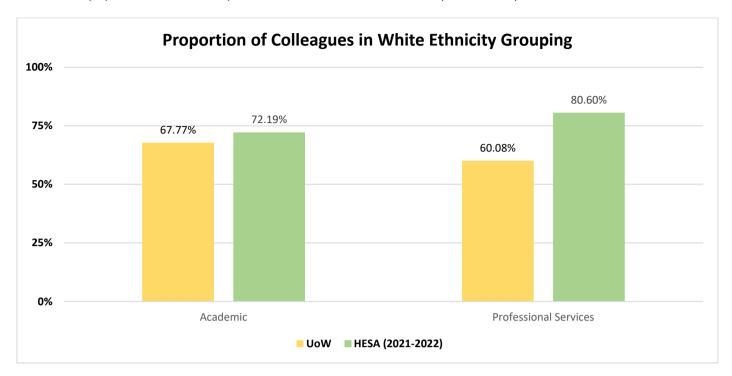
ETHNICITY- Distribution



The overall proportion of our colleagues who describe themselves as white is less than the HE Sector average which is **75.99**% (HESA 2021-2022). Overall, the University has a diverse colleague population of **33.3%.** We know that the proportion of diverse colleagues becomes increasingly smaller higher up the pay structure.



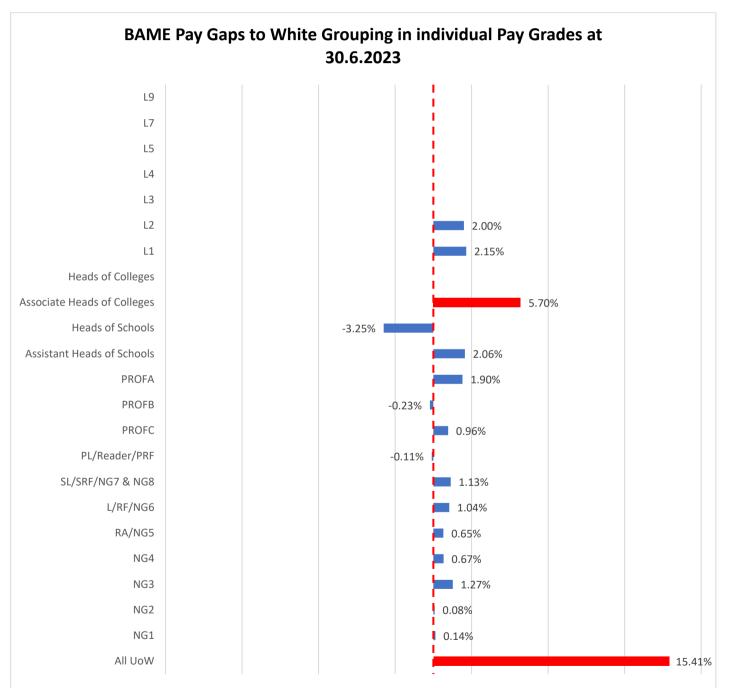
Our figures broken down into Academic and Professional Services confirm the University of Westminster has a more diverse population when compared with the latest HESA data (2021-2022).



ETHNICITY- Equal Pay Review

Within each of our individual pay grades, there is only one pay grade where there is a percentage gap between white and non-white colleagues which is greater than 5%.

There is a gap of 5.7% within the Associate Heads of College. This group contains only six individuals overall, and those colleagues who are white have higher salaries based on length of service, experience and performance within the role. Salaries for this grade are independently reviewed as part of the Senior Colleague salary review process, including a final review by the Moderation Panel which takes EDI data into consideration to ensure consistency of application for salary awards. There is also on-going recruitment to some of the Associate Head of College roles, so there is an opportunity to change the diversity pay gap this year.



It is not possible to report pay gaps for Levels L3 to L9 or for Heads of College as there is no representation in these groups of individuals who do not identify as white. These payscale groupings are also some of the smallest in the University.

ETHNICITY- University pay gap

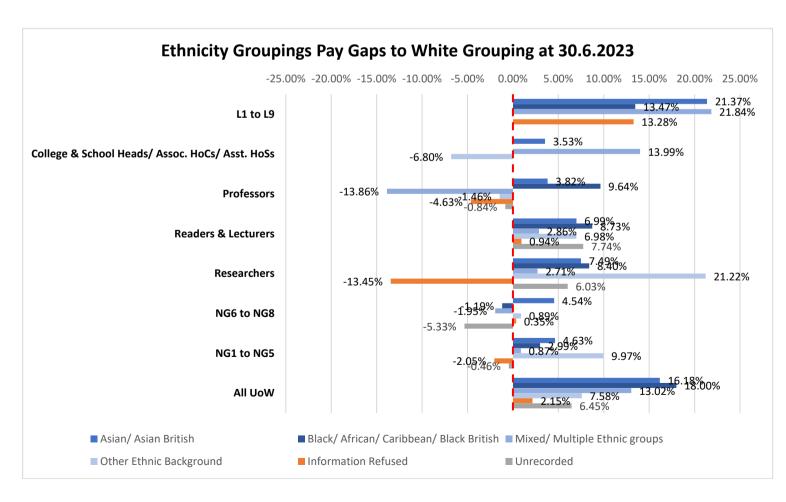
By looking at ethnicity pay gaps within the below groupings we can start to get a sense of where and how the overall University ethnicity pay gap emerges.

The Overall Ethnicity Pay Gap for the University is <u>15.41%</u>. It should be noted that there is no disclosed BAME representation in Level 3 to Level 9, or within Heads of College, and this is what drives the large pay gaps in these areas. The Overall UoW Ethnicity Pay Gap compares favorably on the reported Ethnicity Pay Gap within London of <u>23.8%</u> (Office for National Statistics 2019).

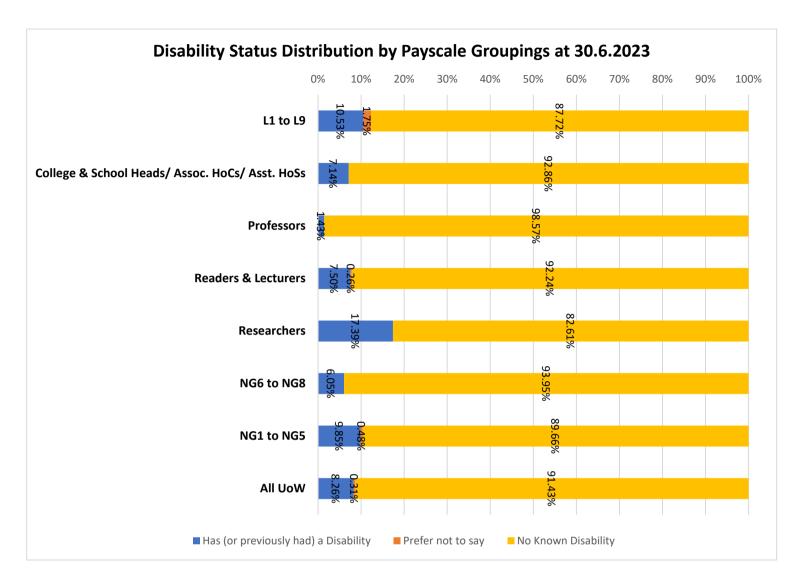
The diverse population of London stands at 42% in the 2021 census, which largely aligns with the diverse population within our lower quartile (46.16%), but this reduces to 18.51% diversity within the upper quartile.

In the below chart the red dotted line represents the average white salary within that pay grouping, so we can see where there are clear differences between pay of those who describe themselves as white, and those who have declared a different ethnicity. The largest differences are within the L1 to L9 group, as well as some key differences within Researchers. The groupings with the largest occurring pay gaps are also the smallest groupings in the University, and can therefore be significantly impacted by just a few individual salaries. For example Researchers are a relatively small group at Westminster (69 in total in comparison to 773 Readers and Lecturers) meaning pay gaps could easily emerge based on a small number of higher salaries for those with length of service and established experience. This is also true with the Professorial group, which is a relatively small number of colleagues. We are seeing more colleagues of diverse backgrounds being promoted into Professor roles, which is a positive, but initially this means potentially more of a diversity pay gap as those colleagues are at the beginning of their professorial careers, in comparison to those with more experience and length of service. This is something we will monitor annually through Equal Pay Audits.

There is no disclosed representation of individuals with Ethnicities other than White in Level 3 to Level 9, nor in the Heads of College, which contribute to the large pay gaps in their respective groupings.



DISABILITY- Distribution



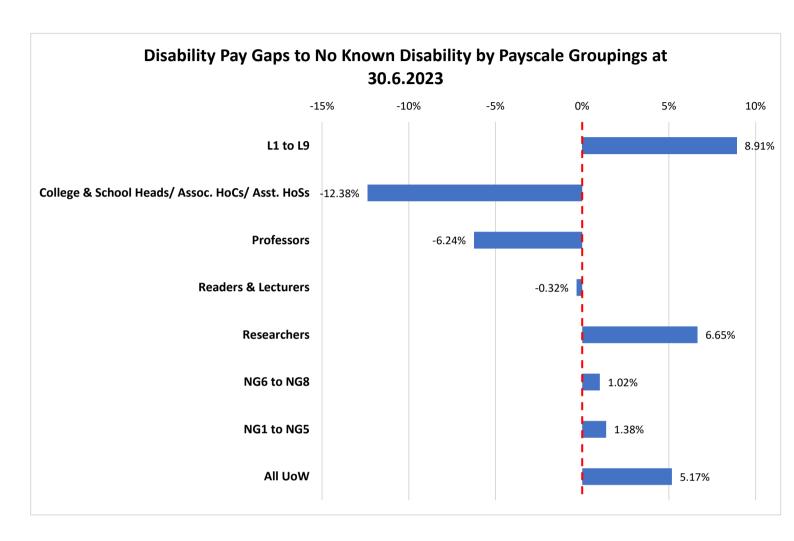
The government estimates that 1 in 5 of the working-age population are classed as disabled at any given time but that disabled colleagues are more likely than non-disabled colleagues to be working in lower-skilled occupations. Our distribution of disabled colleagues shows a fairly even spread across the different pay levels, with the exception of Professors where the representation is significantly below that of the University overall.

DISABILITY- Equal Pay Review

Within individual pay grades there are no significant pay gaps between disabled and non-disabled colleagues.

DISABILITY- University pay gap

Overall, disabled colleagues are paid less on average than non-disabled colleagues by <u>5.17%.</u> Westminster reflects well against the national disability pay gap of 13.8% (Office for National Statistics 2021).



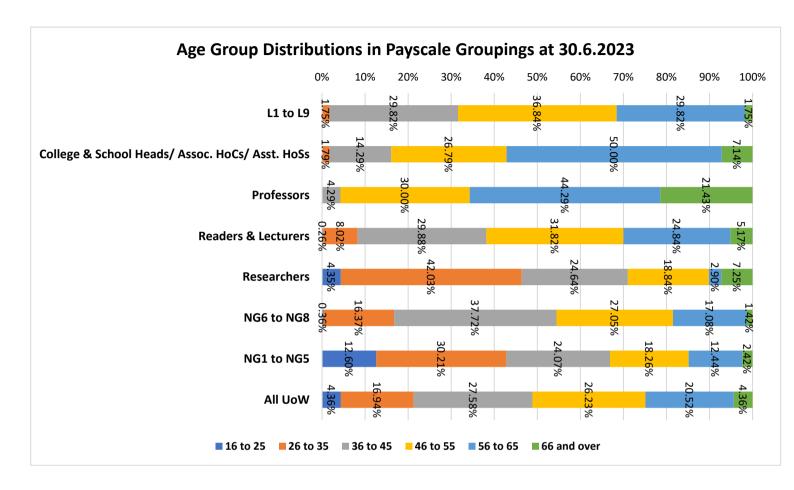
The red dotted line represents the average pay within that pay grouping of those with no declared disability.

The largest Disability Pay Gaps occur within the smallest PayScale Groupings and are both positive and negative pay gaps. The overall Disability Pay Gap has increased since last year when it was 3.95%.

In line with HESA reporting requirements, as of this year we have changed our reporting requirements for Disability Status. Recognising that Disability Status is only recorded if we are notified by the individual that they have or previously had a Disability there are now no "Unrecorded" entries for this characteristic i.e., if a colleague has not declared a disability or indicated that they "prefer not to say", then it will be recorded as "No known disability".

The "Prefer Not To Say" grouping only accounts for 0.31% of the total University population. It is possible with only 8.26% of University colleagues declaring a Disability that this is under-reported which would affect the accuracy of the calculated Pay Gap.

AGE- Distribution



The largest age groups across the University are 36 to 45 (27.58%) and 46 to 55 (26.23%). As you go up the pay grades there is an increase of those aged 56-65, particularly on the academic side. The highest number of those aged 66 and over is within the Professors group (21.43%).

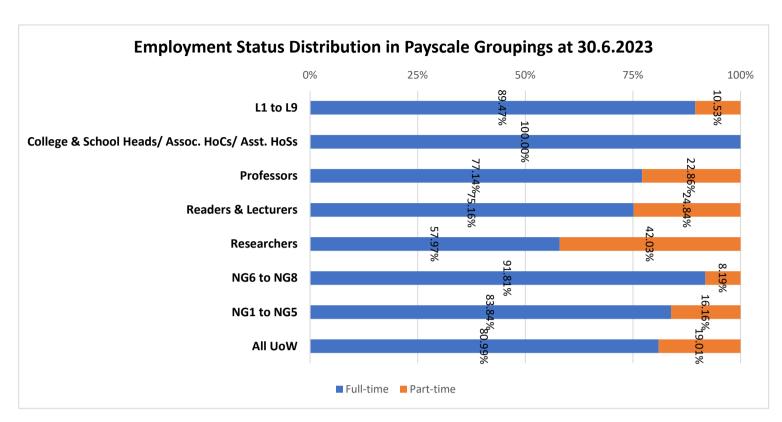
AGE- Equal Pay Review

Where pay gaps occur within the same pay grade when comparing the Average Hourly Rate for the Age Group with that of the Payscale Grouping Overall which are above 5% these are almost entirely negative pay gaps (they were paid above the Average Hourly rate) for those aged 46 and above and positive pay gaps (they were paid below the Average Hourly rate) for those aged 45 and below.

In a context of salary progression based upon continuous service and length of time in a grade, with annual incremental progression for colleagues in groups up to Level 1/PL/Reader/PRF, the results show salary increases that reflect length of service in a grade for the different age categories.

Where the results have identified pay gaps of more than 5%, further investigation and analysis has revealed that the pay gaps were attributed to salaries increasing with length of service, age in respect of experience and seniority, complexity of roles and market forces in the wider economic context. In addition, in some cases, we are again dealing with a very small group of colleagues. It is therefore very difficult to make statistically significant comparisons on pay, and we run the risk of identifying individuals. Market forces are also a prime consideration when recruiting to senior level posts and these vary over time. Sometimes where a pay gap has been identified there is only one individual in that age group in that pay band, or a small number of individuals with many years of service.

PART TIME COLLEAGUES- Distribution



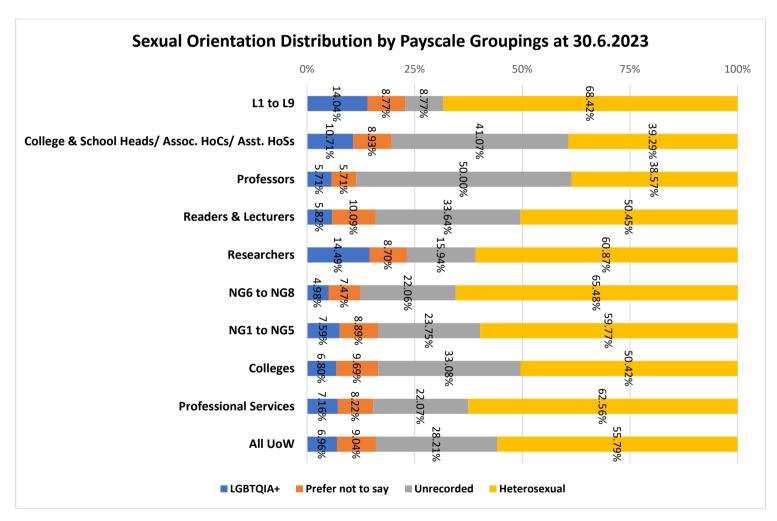
The largest proportion of part time colleagues are within research and academic roles, although this does reflect the nature of some research and academic roles e.g. part academic, part industry, working across the sector etc. The above figures do not include part time visiting lecturers.

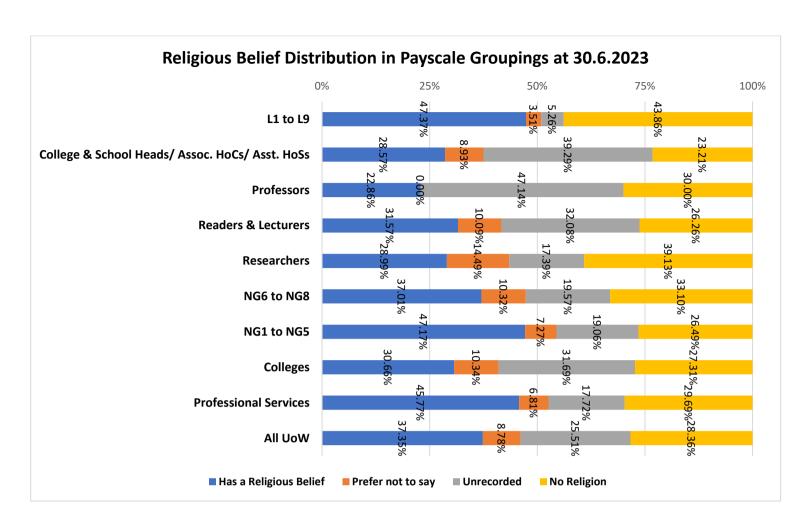
PART TIME COLLEAGUES- Equal Pay Review

The University applies the same pay and grading structures and policies to part-time colleagues. Analysis of the difference in average salary of part-time colleagues compared to full time colleagues at each grade level showed one significant difference of 5% or above. This occurred in the L1 to L9 Payscale grouping which is both very small and has very low representation of Part-time working which would explain why this pay gap appears.

SEXUAL ORIENTATION and RELIGIOUS BELIEF- Distribution

Historically data analyses in respect of sexual orientation and religious belief has raised some practical difficulties, due to the lack of systematic data in respect of most colleagues. The number of responses to this information has been increasing but, the available data collected could not yet be regarded as 'statistically significant', as any analysis would only represent approximately <u>71%</u> of the workforce for either Sexual Orientation or Religious Belief. The University is considering methods of improving the available data to reduce the number of unrecorded entries, working within the challenges of appropriate methods from an information security perspective. It is now possible for UoW Colleagues to maintain this information themselves via Self-Service. We continue to work with the appropriate colleague networks to also encourage greater disclosure. In the interim we are now highlighting the distribution of known and unknown information across the pay scales.





PART TIME VISITING LECTURERS

The results showed no significant pay differences between Visiting Lecturer colleagues with respect to gender, ethnicity, disability or age category. The PTVL data recorded largely aligns to the trends within the rest of the University e.g. gender distribution, ethnicity distribution, numbers with declared disability.

From 1st October 2017 all part time Visiting Lecturers are issued with permanent contracts, except for a handful of recognised exceptions e.g. PhD student or limited funding.

COLLEGE	Headcount	Percentage
DCDI	520	54.79%
LAS	294	30.98%
WBS	123	12.96%
CETI	12	1.26%
All UoW	949	100.00%

GENDER	Headcount	Percentage
Female	469	49.42%
Male	480	50.58%
All UoW	949	100.00%

ETHNICITY (DETAILED)	Headcount	Percentage
Asian/ Asian British	106	11.17%
Black/ African/ Caribbean/ Black British	54	5.69%
Mixed/ Multiple Ethnic groups	39	4.11%
Other Ethnic Background	26	2.74%
Information Refused	31	3.27%
Unrecorded	84	8.85%
White	609	64.17%
All UoW	949	100.00%

DISABILITY STATUS	Headcount	Percentage
Has (or previously had) a Disability	58	6.11%
Prefer not to say	6	0.63%
Unrecorded	3	0.32%
No Known Disability	882	92.94%
All UoW	949	100.00%

AGE GROUP	Headcount	Percentage
16 to 25	13	1.37%
26 to 35	210	22.13%
36 to 45	248	26.13%
46 to 55	204	21.50%
56 to 65	178	18.76%
66 and over	96	10.12%
All UoW	949	100.00%

SEXUAL ORIENTATION	Headcount	Percentage
LGBTQIA+	61	6.43%
Prefer not to say	147	15.49%
Unrecorded	165	17.39%
Heterosexual	576	60.70%
All UoW	949	100.00%

RELIGIOUS BELIEF	Headcount	Percentage
Has a Religious Belief	350	36.88%
Prefer not to say	131	13.80%
Unrecorded	157	16.54%
No Religion	311	32.77%
All UoW	949	100.00%