Gender Pay Gap

REPORT 2017
President’s statement

All large employers in the UK are required by law to report information on their gender pay gaps. City is no exception and we welcome the requirement: gender pay gap reporting is an important step in understanding inequality and taking action to address it.

We set out City’s commitment to gender equality in our Vision and Strategy 2026 which explains that City is a place where diversity is a strength and inclusiveness is promoted. Over the last few years we have demonstrated our commitment through initiatives such as obtaining the Athena SWAN Bronze award, paying the London Living Wage to all employees and supporting affinity networks, such as CityUniWomen.

City is not alone in having a difference between the average pay of men and women, but we are taking action to address the issue. The first step to addressing the gender pay gap is understanding its causes. This is a complex challenge but we are making progress. We have committed to addressing the gender imbalance at professorial and senior management levels by setting the target that at least 30 per cent of professorial staff will be women by 2021. Similarly, we will work to maintain the proportion of our most senior Professional Services staff at ~50% women by 2021.

We will progress other initiatives to address gender inequality, some of which are in place and starting to deliver results. This report contains further details of these initiatives.

Although evidence of a gender pay gap at City is disappointing, the data set out in the report give us a baseline from which we can measure our progress.

Professor Sir Paul Curran
President
City, University of London
Understanding gender pay gap data

What is the gender pay gap?
The gender pay gap is the difference in the average pay of men and women, regardless of the nature of their work, across an organisation, business sector, industry or the economy as a whole. It can be affected by the varying proportions of men and women across all roles.

It is different from an equal pay comparison, which would involve direct comparison of two people or groups of people carrying out the same, similar or equivalent work.

Using the calculations and definitions set out in the gender pay gap reporting regulations, City, University of London has used pay data for the entire university. The data were drawn from roles and salary levels across the grading structure.

What’s included in the calculations?
Calculations of mean and median pay and of quartile pay bands use ordinary pay and bonus pay data from March 2017:

**ORDINARY PAY:** includes base pay and several allowances such as responsibility and shift allowances and market payments. It excludes overtime, pay relating to redundancy or termination of employment and benefits in kind.

**BONUS PAY:** includes additional pay relating to bonus schemes and performance incentives in the form of money or vouchers. At City only a small number of staff were in receipt of these payments, primarily via the Performance Related Remuneration Scheme. Other such schemes include School prizes and NHS Clinical Excellence Awards. Calculations of mean and median bonus pay use data relating to the period from 1st April 2016 to 31st March 2017.

Calculating the mean gender pay gap
The mean gender pay gap is the difference in the mean hourly earnings for men and women.

Calculating the median gender pay gap
The median gender pay gap is the difference between the midpoints in the ranges of hourly earnings for men and women.

Determining pay quartiles
Pay quartiles are determined by organising rates of pay from lowest to highest, before dividing the list into quarters and calculating the percentage of men and women in each quarter.
City’s gender pay gap 2017

Ordinary pay

<table>
<thead>
<tr>
<th>Mean ordinary Gender pay gap</th>
<th>15.7%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Median ordinary Gender pay gap</td>
<td>16.2%</td>
</tr>
</tbody>
</table>

Bonus pay

<table>
<thead>
<tr>
<th>Mean bonus Gender pay gap</th>
<th>7.2%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Median bonus Gender pay gap</td>
<td>66.7%</td>
</tr>
</tbody>
</table>

* e.g., the mean salary for women is 15.7% lower than the mean salary for men.

† For the reporting year, only a small number of staff were in receipt of these payments.

Proportion of men and women employees according to quartile pay bands

<table>
<thead>
<tr>
<th>Quartile</th>
<th>Women</th>
<th>Men</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lower quartile</td>
<td>57%</td>
<td>43%</td>
</tr>
<tr>
<td>Lower middle quartile</td>
<td>51%</td>
<td>49%</td>
</tr>
<tr>
<td>Upper middle quartile</td>
<td>58%</td>
<td>42%</td>
</tr>
<tr>
<td>Upper quartile</td>
<td>31%</td>
<td>69%</td>
</tr>
</tbody>
</table>

Proportion of men and women receiving bonus pay:

- Men: 2.6%
- Women: 1.6%
Why do we have a gender pay gap?

Equality & diversity is at the heart of City’s Vision & Strategy 2026. We have invested in work to understand our remuneration and equal pay data; and our gender pay gap. As with most higher education institutions and the wider economy, the key contributing factor to the gender pay gap is the balance of men and women in different roles and grades. Considering our data by grade and employee type (academic and research staff versus Professional Services staff) highlights:

City employs more than 2,000 people

1. 22% of professors are women
2. 47% of academics (excluding professors) are women
3. 37% of the highest paid Professional Services staff (Grade 9) are women
4. 52% of Professional Services staff (specialist or non-senior management) are women

We recognise that achieving appropriate representation of women at senior levels requires commitment and continuous attention. In common with many organisations and the majority of higher education institutions, there are significantly fewer women in senior academic and senior management positions and turnover at this level is much lower than at more junior levels, so vacancies for such roles do not arise frequently.

City’s base pay ranges (to spine point 52) use nationally negotiated pay scales. To attract and retain staff, particularly where the pay scales are lower than salaries in the wider employment market, City may apply a market supplement. Such decisions are informed by benchmark salary data. Variations in market rates of pay between areas can contribute to the gender pay gap. Such supplements and all forms of additional pay are reviewed on an annual basis.
Why do we have a gender pay gap?

Ordinary pay

**ACADEMIC STAFF**
— There were more women than men on Grade 5B
— There were more women than men on Grade 7
— There were fewer women than men professors and the majority of women professors are in the lower professorial bands
— The low proportion of women professors and the higher number of women on lower grades are the main reasons for City’s overall gender pay gap.

**PROFESSIONAL SERVICES STAFF**
— There were more women than men on Grades 4 to 7 inclusive
— There were fewer women than men on Grades 8 and 9
— This uneven gender distribution is a significant factor in the gender pay gap among this staff group.

Bonus pay

— 38% of staff who received bonus pay were women
— More men than women professors received bonus pay
— City’s senior leadership team, eligible for the Performance Related Remuneration Scheme, were predominantly men. This scheme now covers a wider staff group comprising a higher proportion of women.
Gender breakdown of staff at City, University of London on snapshot date

![Chart showing gender breakdown by grade for academic and professional services grades.]
City’s commitments to advancing equality and closing the gender pay gap

City is implementing actions in seven areas to address the gender pay gap.

1. Annual salary review and remuneration policies
   - Reviewing current guidance on Responsibility Allowances and Additional Payments, which form part of Ordinary Pay under the Gender Pay Gap guidance.
   - Improving Annual Salary Review (Academic and Professional Services staff Grades 1 to 9) and Professorial Salary Review processes.
   - Developing a job evaluation exercise for our most senior Professional Services roles.
   - Conducting equal pay audits and annual equal pay reviews.
   
   Every three years City conducts a full equal pay audit. The data are reviewed annually to maintain our commitment to pay staff equally for equal work. City provides Deans and Professional Services Directors with equal pay data to support promotion and salary review processes.

2. Introduction of two Performance Indicators to advance gender equality
   - The proportion (of base population) of professorial staff will be ~30% women by 2020/21 and the proportion (of base population) of Grade 9 Professional Services staff will remain at ~50% women by 2020/21.
   - The representation of women on senior committees will increase, with a minimum of 30% women and 30% men on each.

3. Recruitment
   - Recruitment advertisements include statements to encourage women and members of under-represented groups to apply.
   - Targeting executive search for senior leadership role to identify a diverse candidate pool.

4. Promotion criteria
   - Annual Preparing for Promotions workshops will be held in Schools to assist individuals with applications and to provide advice regarding the development required to move to the next level.
   - Revised guidance for academic promotions.
   - A review of Professional Services staff career promotion routes.
City’s commitments to advancing equality and closing the gender pay gap

5. Career development

City’s Leadership and Management Development programmes aim to support and develop leaders and managers from initial management responsibility through to senior leadership roles. They include positive action programmes for women such as Aurora and Springboard.

We will review the appraisal process and ensure that all appraisers have received training in the last two years.

6. Raising awareness and policy development

We will ensure that recruitment, reward and promotions panels have both men and women members.

We will provide training (including Inclusive Leadership and Equality & Diversity training) for chairs of recruitment, reward and promotions panels.

We will support our staff affinity networks including CityUniWomen, BAME, LGBT+ and Disability; to inspire and influence colleagues across City.

We will increase awareness of policies including: family friendly policies; the Trans, Intersex and Gender Non-Conforming Staff and Student Policy; and remuneration, promotions and recruitment policies.

7. Maintaining our commitment to Athena SWAN

City was awarded an Athena SWAN Bronze award in 2016 and is committed to improving gender equality.