

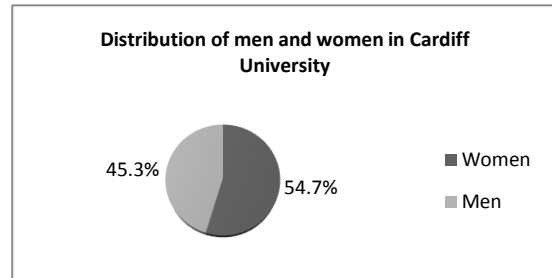
## EXECUTIVE SUMMARY CARDIFF UNIVERSITY: GENDER EQUAL PAY AUDIT 2014

The Cardiff University Equal Pay Audit 2014 builds on the audits conducted in 2009 and 2010/11 and is the third equal pay audit undertaken by Cardiff University. Cardiff University is a large and complex organisation employing 6343 staff in 2014<sup>1</sup>. Overall the 2014 Audit confirms the outcomes of previous audits which concluded that there is no evidence of any systemic pay discrimination within the University.

### Main findings:

1. Cardiff University pay scales comply with recommended good practice in relation to gender and age and contribute to a lack of significant pay gaps.

2. Over half, 54.7% of the University's employees are women, but their distribution across pay grades varies considerably with women constituting 69% of all staff in grades 1 to 4. The University continues to champion a number of gender equality initiatives to support the career development of women and to improve representation within the higher grades, but these initiatives have so far not culminated in significant changes due to the times scales required.



3. The University continues to have gender pay gaps in favour of both men and women in relation to basic mean pay, Only one of these gaps (see 4. below) constitute a significant pay gap (5% and above) as defined by the Equality Human Rights Commission.

4. One significant mean total pay gap was identified (in terms of staff numbers and pay gap) at;

- Professorial level. Investigations indicated underlying historic issues with a predominantly male population however the situation is not improving despite significant work in this area and the University has seen an increase in the pay differential between men and women by 1.87%.

This pay gap can be attributed to both the gender balance within the cohort, as females currently only account for 19% of Professors, and external recruitment which can be subject to significant market forces within different academic disciplines.

Internally promoted Professors are placed on the same point so there is no gender pay gap arising from this area. Research amongst comparator institutions has confirmed that Gender pay gaps within Professorial groups are common within the sector. In addition outside the sector the gender pay gap within senior management using recent ONS data was reported at 35% and 6.5% amongst Teaching and Educational professionals.

5. As previous Equal Pay Audits have confirmed, the findings in relation to median base pay reflect those found in relation to mean base pay. As such, it was agreed early in the audit process that the Equal Pay Audit 2014 would focus on mean pay.

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<sup>1</sup> Note – the data used in this audit may differ from other published data. This is due to the date the information was reported from, which was a snapshot of 1<sup>st</sup> March 2014, compared to data using differing snapshot dates or using data ranging over a period of time. See 2.1 for more information.

## **CARDIFF UNIVERSITY: GENDER EQUAL PAY AUDIT 2014**

### **1. Introduction**

- 1.1 Cardiff University has undertaken its third Equal Pay Audit based upon data from 2014 which builds on the Audit conducted in 2009, and 2010/11.
- 1.2 Cardiff University supports the principle of equal pay for work of equal value and recognises that its systems, practices and policies should be based on these principles. The aim of an equal pay audit is to identify and address systemic pay discrimination, which the University acknowledges as an important, but narrow, aspect of potential discrimination in employment. An equal pay audit reviews pay data, policies and practices which may be systematically leading to pay disadvantage for one group of employees compared to another group (for example, women compared to men or vice versa).
- 1.3 This Equal pay audit relates to the University's basic pay. The primary purpose of this audit is to:
- Establish whether there are and gender pay inequities;
  - Analyze 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 inequities revealed by the analysis.

This audit does not directly address other aspects of potential inequality, such as the distribution of staff across grades, general contractual arrangements or promotion and retention rates which are reviewed and monitored and reported on separately within the University.

- 1.4 Whilst not covered within the scope of this equal pay audit, it is important to note that the University undertakes a wide range of activities in support of equality. These initiatives are being undertaken to ensure that all staff are aware of the opportunities to progress and are not deterred from doing so.
- 1.5 The University as an employer of clinical academic staff pay such staff on relevant NHS pay scales. Such staff are also subject to clinical excellence and other NHS payments. As these payments are awarded by the NHS and are largely outside the direct control of the University they have not been included in this audit. The University will continue to work with the NHS regarding the award of payments in relation to the NHS Excellence Award Scheme, NHS Commitment awards and Out of Hours payments and will contribute to any equality impact assessments undertaken.
- 1.6 Work undertaken on this Equal Pay Audit has been undertaken in consultation with the recognised Trade Unions, UCU, UNISON and UNITE.

### **2 Assembly of Data**

#### **2.1 Methodology and Data**

Cardiff University is a large and complex organisation but with a relatively stable staff population employing 5743 staff in 2010, 5888 staff in 2011 and 6343 in 2014. Staff are employed in 26 Academic Schools across 3 Colleges, supported by the Professional Services area. A snapshot of the entire University staff population was taken on 1<sup>st</sup> March 2014 and this formed the population for the audit and the basis of all findings in the report. The Data collection methodology mirrored that used in 2009 and 2010/11 and the report also compares the findings with these previous audits.

- 2.1.1 A gender pay gap is the average difference between male and female full time earnings therefore for the purposes of this Audit; all part time salaries have been uplifted to full time to allow comparisons across the University.
- 2.1.2 Throughout the Audit the data provided has been analysed as the percentage difference using the male salary as the base. Positive differences are those in favour of males and negative

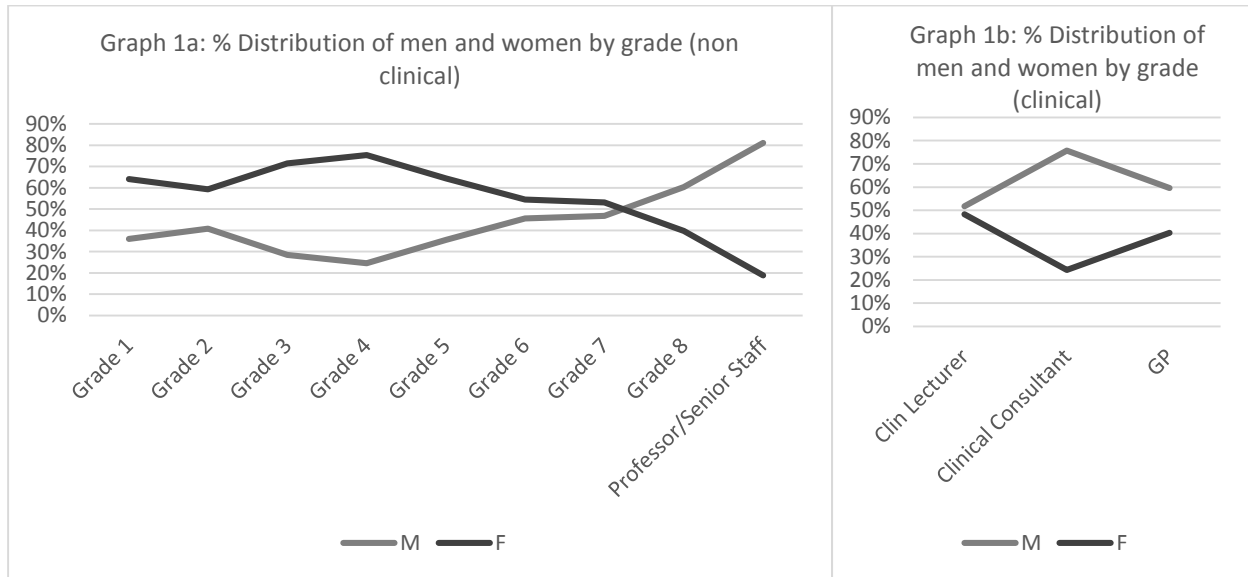
# Cardiff University

differences are those in favour of females. This methodology has been used throughout the 2014 Audit, this differs from previous Audits but reflects the established way of reporting such differences.

2.1.3 The Equality and Human Rights Commission (EHRC) advice on equal pay audits indicate that gender grade pay gaps of 5% or more (highlighted in bold within the Tables) should be considered significant as indicators of underlying systemic pay discrimination and the reasons for the differences investigated. A pattern of pay gaps of 3% or more in favour of one gender or the other (highlighted in italics within the Tables) should also be investigated as potentially indicative of underlying systemic pay discrimination.

### 3. Gender Distribution

3.1 In order to understand fully the University's position in relation to gender, a background analysis was undertaken to identify the gender pattern of employment. Graphs 1 and 2 show the gender distribution by grade across Cardiff University for 2014. Table 1 below also provides information on distribution but also shows how the distribution has altered since the 2011 audits.





**Table 1: Distribution of Cardiff University Employees by Grade and Gender**

Grade	Numbers			% of Grade		% Change from 2011 to 2014	% Change from 2010 to 2011
	M	F	Total	M	F		
Grade 1	69	123	192	35.94%	64.06%	-7.74	2.60
Grade 2	145	211	356	40.73%	59.27%	-4.13	-0.14
Grade 3	180	452	632	28.48%	71.52%	-1.18	-0.28
Grade 4	139	427	566	24.56%	75.44%	-1.16	-0.72
Grade 5	283	513	796	35.55%	64.45%	4.95	2.75
Grade 6	688	821	1509	45.59%	54.41%	0.61	-0.05
Grade 7	412	468	880	46.82%	53.18%	-2.12	2.44
Grade 8	327	215	542	60.33%	39.67%	4.07	0.81
Clin Lecturer	59	55	114	51.75%	48.25%	...*	-0.92
Clinical Consultant	106	34	140	75.71%	24.29%	...*	19.44
Professor/Senior Staff	361	84	445	81.12%	18.88%	2.18	3.30
GP	102	69	171	59.65%	40.35%	-7.74	0.69
Total	2,871	3,472	6,343	45.26%	54.74%	0.34	1.13

The minus figures refer to a reduction in the female staff on the grade against the previous year.  
 \* Change in sample group so cannot compare years

3.2 Table 1 shows, that women continue to form just over half of employees 54.7% (54.4% in 2010/11), this represents an increase of 0.3% on the 2010/11 findings. The distribution of female staff across University grades continues to vary greatly. Females constitute 70% of all staff in grades 1-4, in comparison to 54% in grade 5 and above. Female staff in 2014 account for 18.9% of Professorial /Senior Staff representing an increase of 2.2% on 2011. Although this is a positive step but female representation remains below the level the University would expect. The University has a 50/50 gender split amongst its University Executive Board which is of significant note both within and outside the Sector. The University will continue to work on progressing gender balance amongst all University grades.

3.3 The University has successfully renewed its Athena Swan Bronze Award in recognition of its success in recruiting, retaining and promoting women in Science, Technology, Engineering, Maths and Medicine (STEMM). In addition the University has a number of bronze and silver awards at School level

**4. Calculation of Average Basic Pay for ‘Work Rated as Equivalent’**

4.1 Table 2, shows average male and female full time equivalent (FTE) basic pay for each of the Cardiff University grades. The calculations in Table 2 are of the arithmetic means.

**TABLE 2: AVERAGE (MEAN) BASIC PAY OF CARDIFF UNIVERSITY EMPLOYEES BY GRADE AND GENDER**

Grade	Numbers		Average (Mean) Basic Pay (£)			% Change 2011 to 2014	% Change 2010/2011
	M	F	M	F	% Difference*		
Grade 1	69	123	14,517	14,849	-2.29%	-1.43%	-0.11
Grade 2	145	211	16,891	16,802	0.52%	-1.34%	+0.28
Grade 3	180	452	19,437	19,609	-0.89%	+0.75%	+0.79
Grade 4	139	427	23,140	23,232	-0.39%	-0.87%	+0.11
Grade 5	283	513	27,848	27,894	-0.17%	-1.94%	+0.09
Grade 6	688	821	34,579	34,459	0.35%	-0.32%	+0.11
Grade 7	412	468	43,889	44,126	-0.54%	-0.61%	+0.12
Grade 8	327	215	53,192	52,616	1.08%	-0.14%	+0.12
Clinical Lecturer	59	55	50,574	51,436	-1.70%	... **	... **
Clinical Consultant	106	34	93,571	91,261	2.47%	... **	... **
Professor/Senior Staff	361	84	82,697	77,394	6.41%	+1.87%	-2.16
GP	102	69	85,056	84,462	0.70%	-0.08%	+0.10

\* Positive differences are those in favour of males; negative differences are those in favour of females.

\*\* Change in sample group so cannot compare years

4.2.1 Table 2 shows that of the arithmetic average, or mean, pay gaps continue within the University to be in favour of both men and women. There is only one significant pay gap at Professorial/Senior Management level. For the purposes of this Equal Pay Audit, analysis has shown that there is no evidence of systematic pay discrimination. Investigations indicated underlying historic issues with a predominantly male population however the situation is not improving despite significant work in this area and the University has seen an increase in the pay differential between men and women by 1.87%.

This pay gap can be attributed to the gender balance within the cohort as females currently account for only 19% of the Professoriate and external recruitment being subject to market forces within different academic disciplines. Internally promoted Professors are placed on the same point so there is no gender pay gap arising from this area.

Research amongst comparator institutions has confirmed that Gender pay gaps within Professorial groups are common within the sector. In addition outside the sector the gender pay gap within senior management using recent ONS<sup>2</sup> data was reported at 35% and 6.5% amongst Teaching and

<sup>2</sup> Reported in March 2014 as the gender pay gap for all staff in the UK in 2013

## Cardiff University

Educational professionals. Further work will be undertaken in this area which will assist the University progress in this area.

### **5. Review of Pay Policies**

5.1 Even when, as for Cardiff University employees, the statistical analysis shows no evidence of systemic pay discrimination in relation to basic pay in the employee group covered by the equal pay audit, the EHRC recommends that each aspect of pay policy in relation to basic pay be reviewed from an equality perspective. (Total earnings and additions to basic pay are covered in sections 8 and 9 below).

### **5.2 Job Evaluation**

5.2.1 The University continues to use the Higher Education Role Analysis (HERA) system, to underpin its grading and pay structures. The HERA system is factor-based, and as a result analytical in terms of the equal pay legislation and designed specifically to cover roles in the higher education sector. It has been reviewed from an equality perspective at national level. Work has been undertaken with the recognised Trade Unions to further develop and refine the University's Grading Review Procedure which took effect in 1<sup>st</sup> July 2013.

### **5.3 Starting Salaries**

5.3.1 The University has guidance on the starting salaries for new employees with the default expectation that staff are appointed on the bottom point of the relevant pay scale. Where staff are appointed above this point an objective justification is provided at the point of recruitment. Such objective justification would include relevant external experience elsewhere. This approach assists the University in ensuring that starting salaries offered are consistent and appropriate across the University.

### **6.4 Pay Progression**

6.4.1 Pay progression for Cardiff University employees (with the exception of staff paid on the Professorial pay scale where progression is based on performance) is on the grounds of experience through annual increments to the non-discretionary maximum of the scale. Above this there are two discretionary points accessed through assessment of the individual contribution under the University's Outstanding Contribution Award Scheme.

6.4.2 Cardiff University pay grades are short with a limited number of incremental points, usually 5 or fewer; and are discrete, in that the maximum of the lower scale is lower than the minimum of the next higher grade. These features comply with recommended good practice in relation to both gender and age discrimination. They contribute to the absence of significant gender grade pay gaps.

6.4.3 The discretionary zone increases the length of the scale and creates an overlap with the next higher pay scale to a restricted degree. This gives the opportunity for individual contribution, assessed in a fair and non-discriminatory manner, to be rewarded by giving additional points above the core grade.

### **7. Protection**

7.1 As a result of pay protection arrangements agreed with the Trade Unions during the National Framework Agreement implementation, a small number of Cardiff University employees in Grades 1 to 7 are paid above the maximum of the relevant pay scale (including discretionary points). They are effectively subject to a personal spine point and thus to personal protection. These arrangements are subject to declining numbers and as such have not been further evaluated at this time.

### **8. Total Pay**

## Cardiff University

Previous audits have covered the area of total pay. The 2014 audit does not cover total pay as a number of arrangements affecting total pay are subject to review. The University's former discretionary Payments scheme was subject to review and was frozen during the initial period of the Audit and the new replacement Outstanding Contribution Awards Scheme had yet to take effect.

### **9. Summary and Conclusions in relation to Gender**

- 9.1 Cardiff University has only one significant pay gap. The other gaps which exist continue to arise from the clustering of males or females towards the top of the grade or can largely be attributed to the ratios of males to females within the grade. There continues to be no indication of systematic gender pay discrimination.

### **10 Action Plan**

1. To review the Senior Staff Pay Scale and consider the implementation of Professorial banding which allow the Institution to more effectively identify and address equal pay across this staff cohort;
2. To continue to work on working pattern payments and procedures in relation to the allocation of overtime, and to share the results of this work in subsequent Equal Pay Audits;
3. To monitor the application of the new Outstanding Contribution Scheme against all protected characteristics;
4. To continue to monitor and work with the NHS on NHS pay practices;
5. To continue work to improve the demographic gender balance within the University;
6. To conduct a further Equal Pay Audit in 2017, to also include other protected characteristics.