

Gender and Ethnicity Pay Gap Report <u>2021</u>



Nottingham Trent University



As the Vice-Chancellor of Nottingham Trent University (NTU), I take heart from the findings of this report. They endorse the University as a welcoming and inclusive place of work, one that guarantees equality of access to all our professional opportunities and benefits. Whilst important work remains to be done, our current trajectory is a positive one.

It is crucial that NTU reflects the richness and diversity of our communities. The six themes of our 'University, Reimagined' strategy state loud and clear that we believe in creating opportunity, valuing ideas, enriching society, embracing sustainability, connecting globally and empowering people. We aim always to be bold and do the right thing. These commitments are as fundamental to the happiness, security and development of our colleagues as they are of our students; addressing inequality is at their core.

This report details several areas of progress: a narrowing of the mean and median gender pay gaps at NTU; a steady climb in the numbers of Black, Asian and Minority Ethnic (BAME) colleagues employed throughout the University; and continuing to maintain a higher representation of women employed in senior roles at NTU than the sector average. Furthermore, it highlights some of the important steps we have introduced to promote equality and inclusivity: from the creation of the University Shadow Executive Team, through the additional funding allocated to the Aurora leadership programme, to the University-wide training initiatives we have developed to tackle unconscious bias.

The ethnic and gender pay gaps at NTU are diminishing. Ultimately, our goal is to eradicate them. Its achievement will necessitate determination alongside privileging diversity over hegemony

Professor Edward Peck

Vice-Chancellor

Introduction

The UK government has recently updated its 2010 Equality Act — and as of 2017, all employers with 250 or more employees have been obliged to publish data on their organisation's gender pay gap(s).

Currently, this legal duty does not extend to other protected characteristics (age, disabilities and religious beliefs, for example). However, as part of Nottingham Trent University's (NTU's) commitment to identifying and challenging racial inequity, we are now including our organisational ethnicity pay gaps in our annual report. To do this, we have employed the same methodology used to calculate the statutory gender pay gap(s).

Gender pay equality

We use two types of reporting to ascertain gender pay equality within our organisation:

- an 'equal pay analysis', which reviews whether men and women undertaking work of equal value are equally remunerated
- an 'organisational gender pay gap analysis', which measures the percentage difference in the average earnings of all men against all women in the organisation, independent of their roles and / or seniority.

An organisational gender pay gap does not necessarily mean that an organisation has a pay equity issue; rather, it can highlight the uneven distribution of men and women across that organisation's pay quartiles (see below). This reporting can be an indicator of 'occupational segregation', where one gender tends to dominate a specific occupational group (e.g. men in senior management, and women in administrative roles). NTU's pay and grading arrangements are aligned with the National Framework Agreement — subscribing closely to its key aims of modernising pay structures, and regularly monitoring and reviewing pay equality. As such, we are confident that male and female colleagues carrying out similar work at NTU are paid equally.



What are 'mean' and 'median' pay gaps?

The 'mean' and the 'median' are two ways of calculating an average.

In the context of pay, the mean average is the combined total salary of all NTU's female colleagues (full-time equivalents), divided by their total population

number. The same calculation is then applied to male colleagues, with any difference between the two figures denoting a gap.

The median average arranges all the individual salaries for NTU's female employees (full-time equivalents) in lowest-to-highest order, to find the exact 'mid-point' wage — sequentially, the middle value. This same process is then applied to male colleagues, with any difference between those two averages again indicating a gap.

<u>The gender pay gap – data reporting</u> <u>requirements</u>

Six calculations are required for publication, namely:

- 1. the mean hourly pay difference between men and women
- 2. the median hourly pay difference between men and women
- 3. the mean bonus gap difference between men and women
- 4. the median bonus gap difference between men and women
- 5. the respective percentages of male and female colleagues receiving a bonus
- 6. the gender balance of men and women by pay quartile (see below).

These calculations are used to measure the difference between the average earnings of all men and women employed in the organisation, regardless of their role and / or seniority.





NTU's 2020 gender pay gap(s) results

Gender mean and median hourly pay gaps

On the census date of 31 March 2020, NTU employed 2,064 men and 2,765 women (57.2%).

NTU's organisational gender pay gap statutory calculation requirements for the mean hourly pay have reduced marginally by 0.1 percentage points (pp) compared to 2019 (13.6%). The median hourly pay gap has seen a 2.2 pp reduction compared to 2019 (10.7%) [Figure 1].





Chart 1 illustrates the pattern of our recorded mean and median gender pay gaps from 2017–2020.

It shows that both the mean and median gender pay gaps are following a downward trajectory. However, the median gap is reducing at a much quicker rate than the mean [Figure 2].





NTU's gender bonus

The mean bonus pay gap of 21.8% [Figure 3] can be largely attributed to more men than women occupying senior positions at NTU.

The reward and performance scheme for these roles is derived as a percentage of salary. As these roles pay higher salaries and more men than women occupy them, the average mean value of the bonus payment made to male colleagues is higher than that of females.

In 2018, NTU introduced its new appraisal and performance-reward policy: this gave all employees the opportunity to receive a financial bonus for achieving a 'Strong' or 'Exceptional' rating, regardless of their role.

For employees on the National Framework, these bonus awards are a flat-rate payment — fixed by grade, and decoupled from the old award scheme (which was based upon a percentage of basic salary). For a second consecutive year, this has therefore meant that the median gap is nil.





As a direct result of adopting this new reward policy, there has been (for the second consecutive year) an increase in the percentage of male and female colleagues receiving a performance-recognition bonus - +2.2 pp for men, and +2.5 pp for women (2020) [Figure 4].

In 2020, slightly more women than men received a bonus (16.8% vs 15.1%), reflecting a gap of 1.7 pp. This is similar to the 2019 picture, when 14.3% of female colleagues received a bonus compared to 12.9% of male colleagues — a gap of 1.4 pp.



NTU's gender pay quartiles

Pay quartiles are established by dividing all employees in the organisation into four even groups, according to their level of pay. The proportion of male and female employees in each quartile reflects the gender representation across the different pay levels within the University. Women's employment at NTU continues to dominate the lower (68.0%) and lower-middle (60.4%) quartiles.

Chart 2 includes the 2019 sector benchmark. Until that point, NTU mirrored the sector's pattern for gender representation across the four pay quartiles. However, in 2020, a shift occurred at pay quartile 1 (lowest); the representation of women increased and is now 2.8 pp above the sector average. The representation of women also increased at quartile 4 (highest), and is 1.2 pp above the sector average.



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NTU 2020 ethnicity pay gap(s) results

Ethnicity mean and median pay gap(s)

NTU's organisational mean hourly ethnicity pay gap has reduced by 0.9 pp, from 7.0% (2019) to 6.1% (2020).

Over the three-year period spanning 2018–2020, the mean ethnicity pay gap has reduced annually — narrowing by 3.4 pp.

The median hourly ethnicity pay gap has remained nil for a second consecutive year [Chart 3].



Ethnicity bonus



As a result of introducing the new reward policy, 2020 saw (for the second consecutive year) an increase in the percentage of White and BAME employees receiving a performance recognition bonus — specifically, a 3.0 pp rise for White colleagues, and a 1.0 pp increase for BAME colleagues [Figure 5].

In 2020, 18.5% of White colleagues and 10.2% of BAME colleagues received a bonus, reflecting a gap of 8.3 pp. This was similar to the 2019 picture, when 15.5% of White employees received a bonus compared to 9.2% of BAME employees — a gap of 6.3 pp.



Ethnicity pay quartile

Chart 4 shows evidence that BAME representation is increasing incrementally at the University. Between 2019 and 2020, the reporting indicates a 2 pp rise in quartile 1 (lower), a 3 pp rise in 2 (lower-middle), a 2 pp rise in 3 (upper-middle), and a 1 pp rise in 4 (upper).



Based on the census date of 31 March, NTU has observed a steady rise in its BAME employee headcount [Chart 5]. The figures indicate a 32-person increase by 31 March 2019, and an additional 118-person increase by 31 March 2020. Given the growth of BAME representation across the pay quartiles, this would suggest that current recruitment practises are improving NTU's diversity.



NTU's commitment to race and gender equality

In 2020, NTU signed to Advance HE's Race Equality Charter. The University is currently working on its Bronze Award submission for 2023.

NTU has made a strong commitment to improving BAME representation within our senior and leadership roles, introducing a new KPI to specifically drive this change:

"Improve BAME representation within our leadership group from 12.9% (2020) to 20% by 2025."



The University Shadow Executive Team (USET) has also been created to support the progression of our diverse talent into leadership roles. Furthermore, this team will provide a broader and more inclusive framework for decision-making at NTU.

We continue to deliver our Athena SWAN Action Plan, and we are working towards our ambition of achieving Institutional Silver by 2023. As a part of our ongoing work, we have:

- increased funding encouraging and enabling more women from professional service and academic areas to access the Aurora leadership development programme, which supports women in securing senior positions throughout the higher education sector
- registered an annual increase in the number of female colleagues completing the Aurora programme — by summer 2020 we had 66 Aurora alumni (a 24-person climb on 2019), and by summer 2021 we anticipate reaching 99 alumni
- set a goal to increase the professorial proportion of female colleagues to 35% by 2022, by supporting female academics in applying for Professorships
- promoted three female colleagues to Professor roles in 2017/18, two more in 2018/19, and a further five in 2019/20
- developed the 'Women in Academia' digital space, establishing a programme of work that supports women's career development
- introduced the 'Support of Academic Returners' (SOAR) scheme in 2019, which provides up to £5,000 for those returning from more than 26 weeks' caring leave (e.g. maternity leave) to aid their research and career progression we have granted five SOAR bursaries to date
- sought new ways to celebrate and showcase the men and women of NTU both externally and internally — by highlighting their responsibilities as care-givers
- emphasised and celebrated the importance of International Women's Day (8 March) and International Men's Day (19 November)
- worked hard to raise NTU's visibility as an inclusive employer, and to develop awareness amongst colleagues of the policies, benefits and provisions that support our commitment to gender equality (e.g. extended paternity provision, shared parental leave and flexible working arrangements)
- continued to challenge unconscious bias by promoting positive stories of our colleagues within our external and internal literature — and particularly where these stories emphasise 'non-traditional' employment roles and arrangements, establishing role models for other colleagues.

Summary

We know that fully eradicating our gender and ethnicity pay gaps will take time. Nevertheless, given our strategic commitments — epitomised by the activities and initiatives NTU has introduced to redress these gaps — we are confident that the representative balance of gender and ethnicity across all levels of the University's professional community will continue to improve.



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For further information please visit **ntu.ac.uk/equality** or email **equality@ntu.ac.uk**