

PAY GAP REPORT 2021

**This report details our results for
2021 and areas of focus to ensure
equality across gender, race,
disability and sexual orientation**

Publication Date: 15 December 2021





FOREWORD

As the lead for Equality, Diversity and Inclusion in the University I am pleased to introduce our fifth pay gap report. In addition to the mandatory reporting on gender, the report continues to include data on ethnicity and disability and, for the first time, data on sexual orientation. I believe that this demonstrates our commitment to pay equity for all employees, regardless of any protected characteristic.

I am pleased to report that there has been a reduction in both our ethnicity and disability pay gaps this year. However, recent progress in reducing the gender pay gap has not been maintained and this will be an area of focus for the next year. The University remains committed to reducing all pay gaps through delivering the actions identified.

Dr Sally Jackson
Chief People Officer



INTRODUCTION

Sheffield Hallam University is committed to building a great university by providing an outstanding environment in which to study and work.

Gender Pay Gap legislation, introduced in April 2017, requires all employers with 250 or more employees to **publish** the gender pay gap of those in scope annually. The legislation requires employers to carry out seven calculations that show the difference between the average earnings of men and women in the University.

The gender pay gap is different from equal pay. Equal pay deals with the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value. The gender pay gap shows the difference in average pay between men and women.

Since reporting our initial pay gap in March 2018, we have been working across a number of fronts to reduce our gender pay gap. It is therefore frustrating that we are not able to report a further reduction in our gender pay gap this year, although we have made progress on our other pay gaps.

The University is committed to the principle of equal pay for work of equal value for all its employees. We believe that operating a fair, transparent and objective pay system is fundamental to sustaining wellbeing, success and organisational reputation.

Although it is not yet a legal requirement, we will therefore continue to voluntarily publish our ethnicity, disability and sexual orientation pay gap data. This is because we believe it's an important step towards ensuring our workforce is diverse, inclusive and fair for everyone. We are committed to transparency and want to identify and address the challenges for colleagues from all minoritised communities.



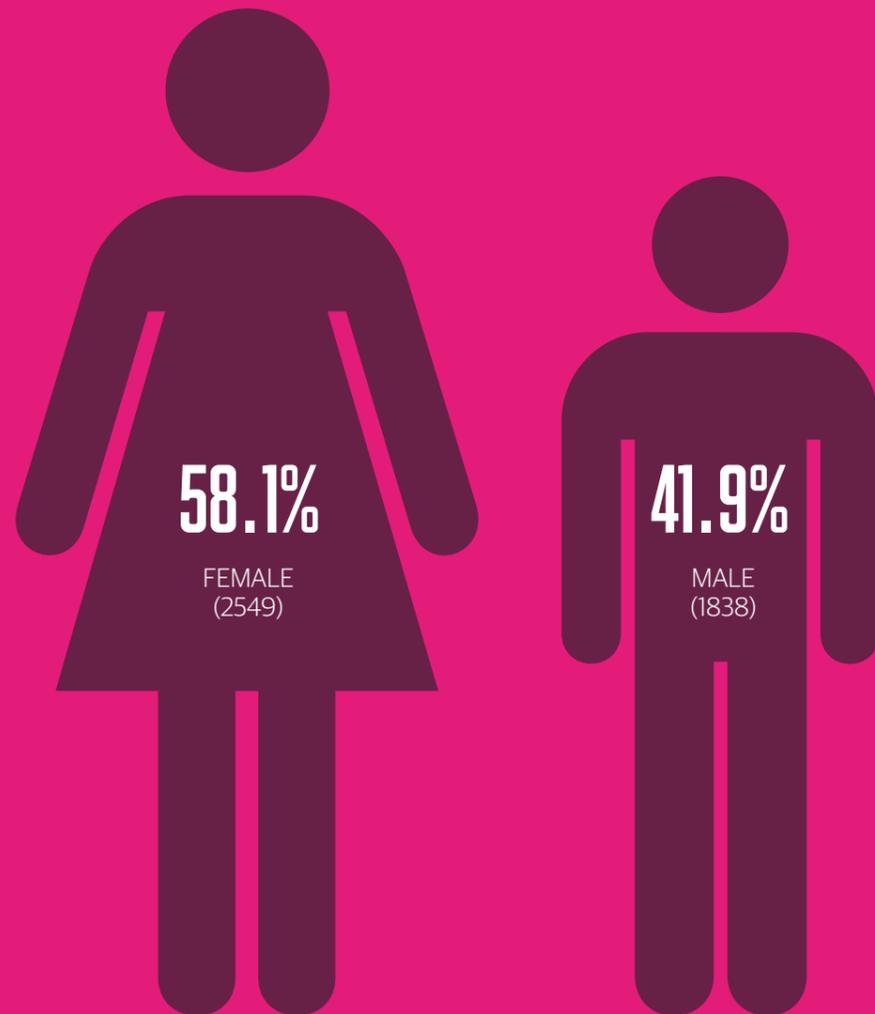
OUR WORKFORCE

Every job at the University is evaluated and placed within a grade. Grades vary by levels of responsibility and each grade has a specific pay range. Employees progress through the grades and pay range as they develop their careers.

A proportion of employees are appointed on a fixed rate salary within casual or training roles.

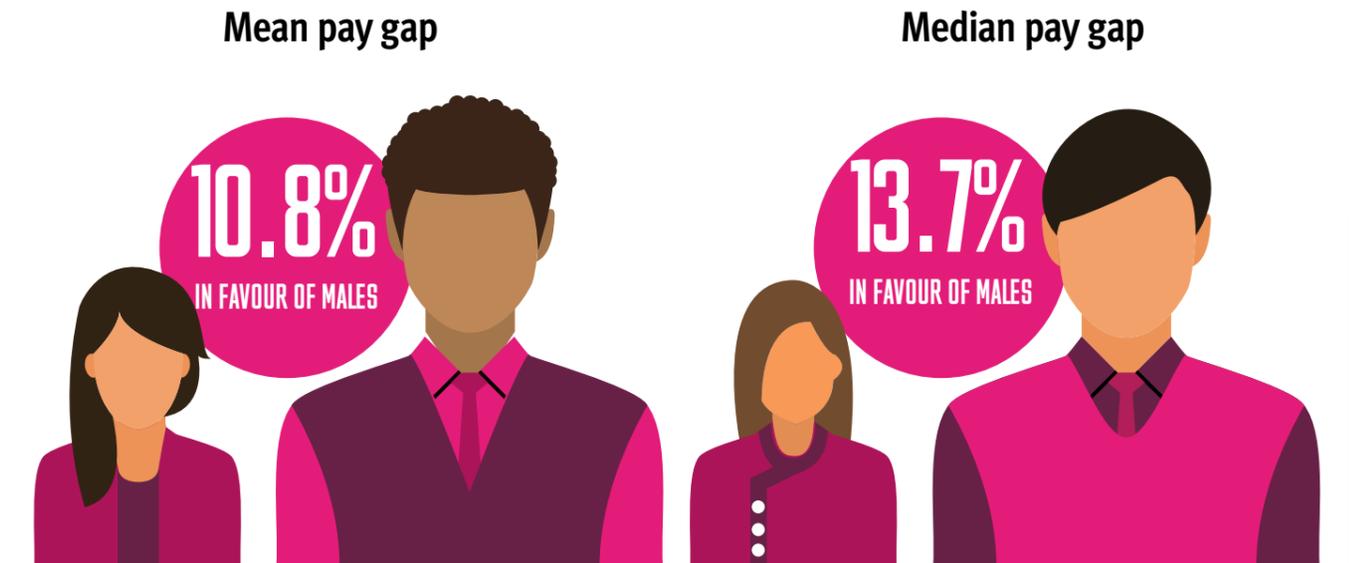
The percentages of female and male employees are similar to 2020 but the number of employees is lower as it has decreased from 4608 employees in 2020 to 4387 employees 2021.

At 31 March 2021
4387 employees



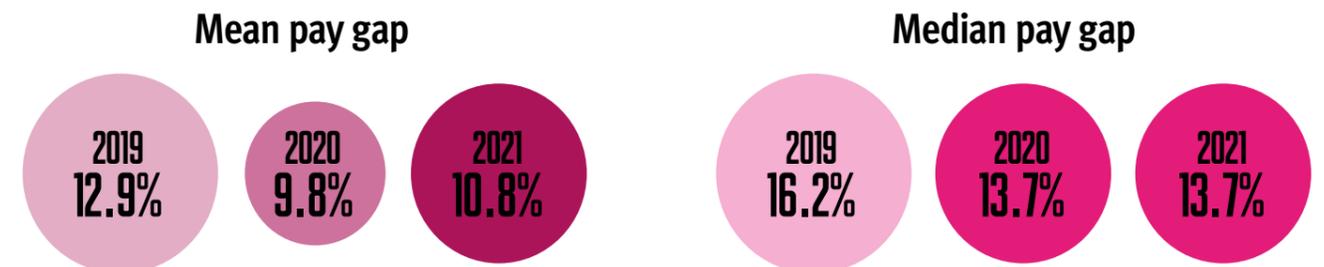
GENDER PAY GAP

The gender pay gap calculation includes all employees who received their usual rate of pay in March 2020. This means that employees on reduced pay or unpaid leave for whatever reason in that month are excluded. The percentage figure shows the difference between the average hourly rates of pay that males and females received.



At 13.7% our median gender pay gap is lower than the 14.0%* average across the Higher Education sector for academic year 2019/20. Our mean pay gap is also lower than sector average of 15.8% and in line with the pay gap for post 1992 universities of 10.8%.

* Source UCEA Intersectional Pay Gaps in Higher Education 2019/20 (based on 75 institutions).



The mean pay gap increased from 9.8% in 2020 to 10.8% in 2021. The median pay gap has remained at 13.7%. It is frustrating that this is the first year since 2018 where we have not been able to report a reduction in the gender pay gap. This appears to be because the proportion of female employees in the lowest paid roles has increased. Anecdotal evidence suggests this could be due to the way the Covid-19 pandemic has affected female employees.

The report includes casual workers who were paid in March and this has the potential to affect the data. Casual workers are engaged on an irregular or flexible basis, often to meet a fluctuating demand for work. There is no agreement as to whether any work will be offered and the worker is not obliged to accept it. Roles typically undertaken by casual workers include Student Ambassadors and Exam Invigilators.

If this group of casual workers are removed, the mean improves from 10.8% to 9.2% and the median decreases from 13.7% to 12.1%. As the number of casual workers who are paid each March will vary, we will continue to monitor the gap excluding casual workers too.

BONUS GAP

The figures below show the difference between the bonus payments that male and female employees received within the last 12 months. As one-off payments for performance were not made in 2020-21, this year the figures only include ad-hoc one-off payments such as honoraria and royalty payments.

Mean bonus gap



Median bonus gap



Proportion of employees who were paid a bonus



The bonus gap has increased from March 2020 when the mean bonus gap was 28.9% in favour of males and the median gap was 4.4% in favour of females.

The main reason for this increase is that neither of the usual processes to award one-off payments based on performance took place in this 12 month period. Half of the payments made were small one-off payments to casual workers. Of the remaining payments, the four highest were paid to male employees, some of which were determined externally to the university. Overall the mean bonus payment was £704.33 and the median bonus payment was £100.00, but these payments were significantly higher which has led to the very high gap this year. If the four highest payments were removed, the mean would reduce to 14.0% in favour of female employees and the median would reduce to 42.9% in favour of male employees.

This gap could change again next year as only a small number of employees receive bonus payments meaning small changes have a greater effect. However we have introduced a new process to reward employees who undertake consultancy which should eliminate some of the largest one-off payments. We will continue to monitor bonus payments to ensure fairness and equity within the relevant processes.

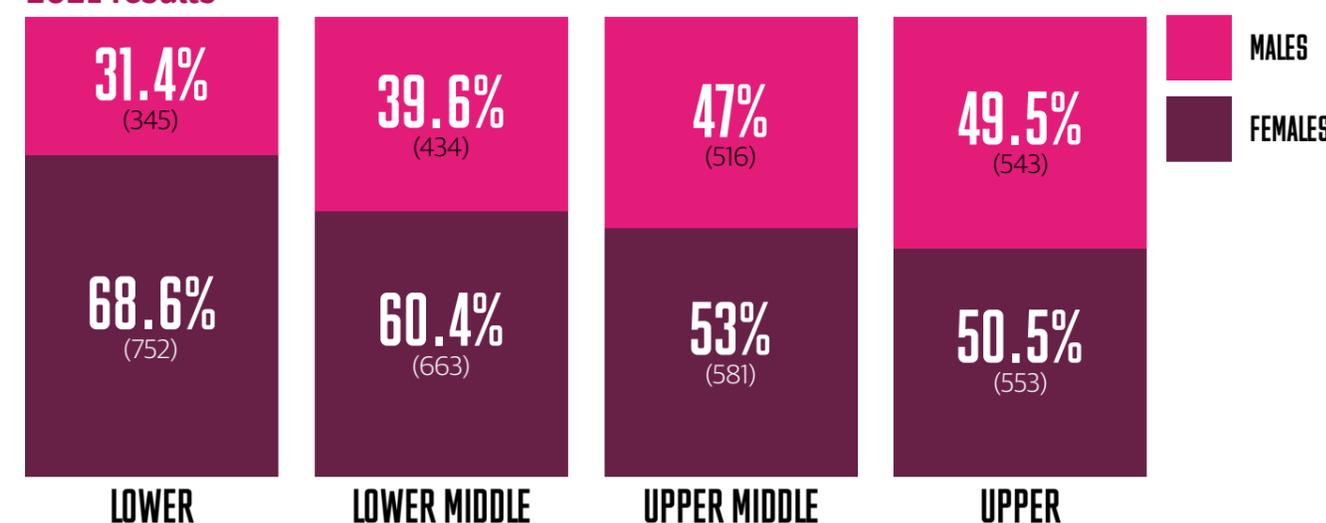
PAY QUANTILES

The charts below show the proportion of male and female employees in four quartile pay bands; lower, lower middle, upper middle and upper.

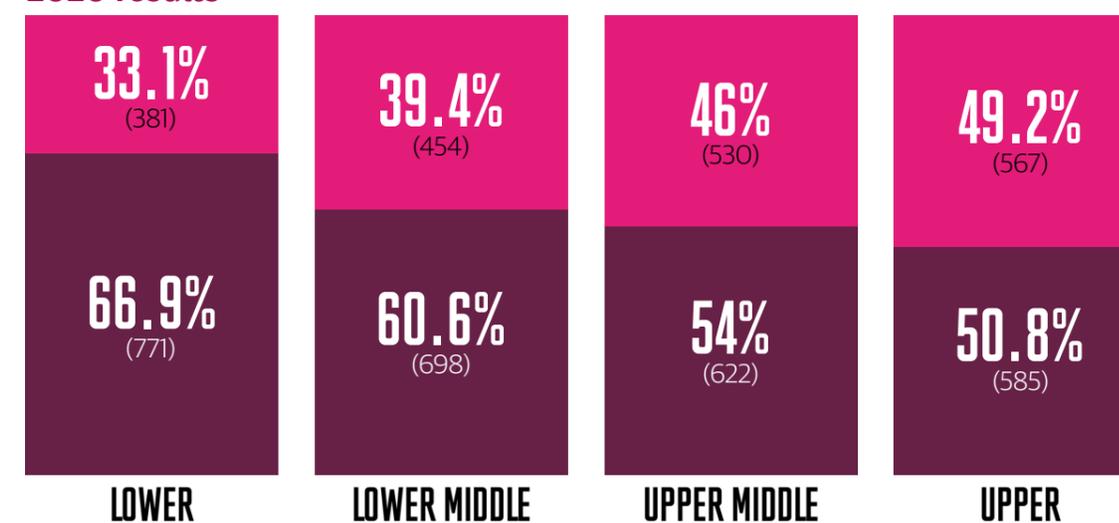
In order to complete the calculations the University is required to list all employees, along with their gender, in order of lowest hourly rate to highest hourly rate of pay. The list is then split into four equal sections, known as quartiles, with an equal number of employees in each section.

The pay quartiles are shown for 31 March 2021 and 31 March 2020 to provide a comparison. In both 2020 and 2021, 58% of the overall workforce were female and 42% were male.

2021 results



2020 results



As with many organisations and the economy as a whole, a key factor behind Sheffield Hallam's gender pay gap is the imbalance of men and women across job levels. It is positive that there are a slightly higher proportion of females (50.5%) than males (49.5%) in the upper quartile. However, it is noted that 55.5% (1415) of the University's female employees are still within the lower and lower middle quartiles, as opposed to 42.4% (779) of male colleagues, and that this percentage has increased since 2020. Our longer term actions as detailed under 'Closing the Gap' are intended to address this.

ETHNICITY

Due to our commitment in this area, although we are not required to report our ethnicity pay gap figures, we have again published these in advance of the requirement. The figures are based on the pay gap between white employees and employees from minoritised communities which we recognise has limitations in identifying the differences between different ethnic groups. It is our intention to refine this analysis in future years, particularly when the outcomes of the government consultation are published.

Pay gap data

Out of a total workforce of 4387 employees, we currently have 469 (10.7%) employees from minoritised communities and 3664 (83.5%) white employees. There are 254 (5.8%) employees whose ethnicity is unknown.

Mean: 6% in favour of White employees

Median: 1.1% in favour of White employees

Excluding casual workers:

Mean: 0.4% in favour of employees from minoritised communities

Median: 1.4% in favour of employees from minoritised communities

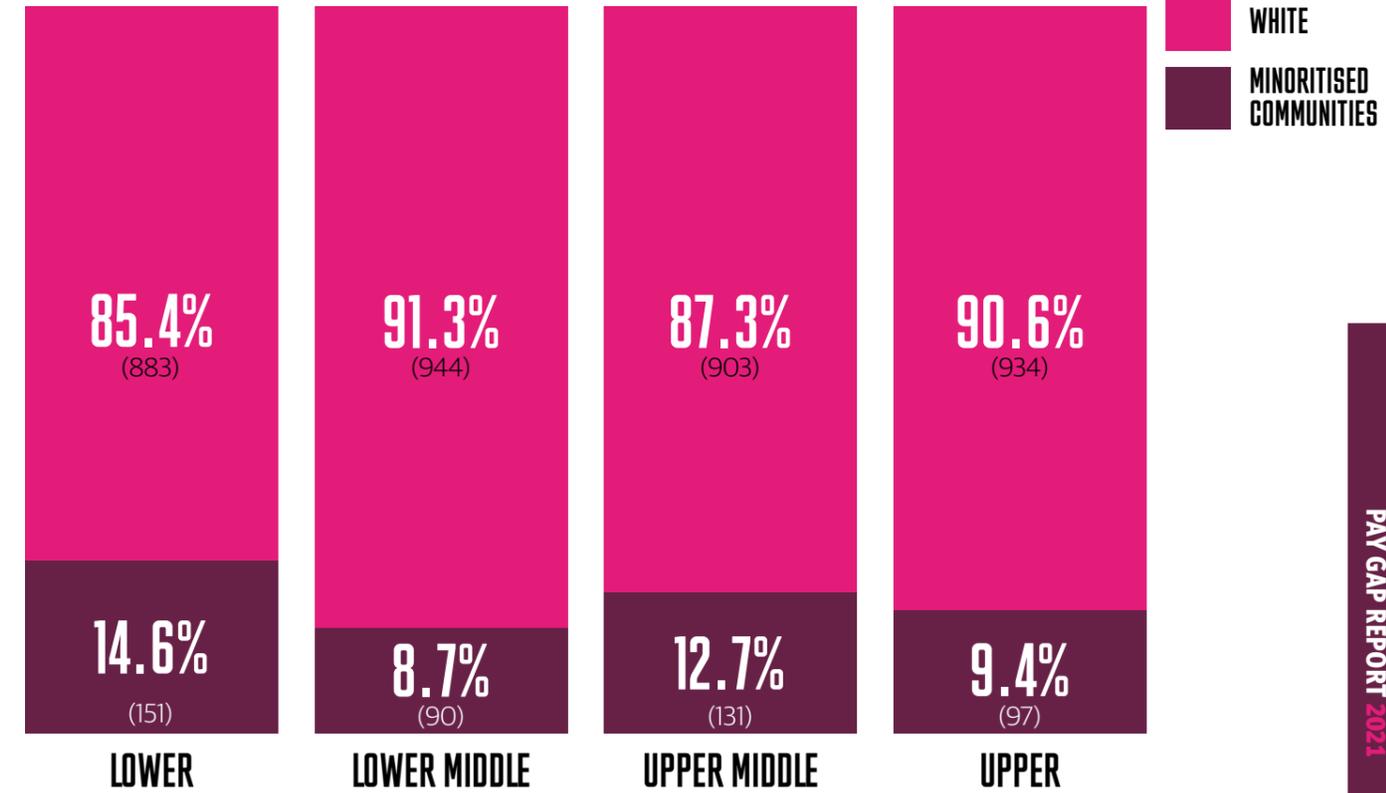
The improvement in the pay gap once casual workers are removed occurs because employees from minoritised communities are more likely to be academic employees who have a higher average salary than Professional Services employees.

It is positive to report that the mean pay gap has decreased from March 2020 when it was 9.2% and the median has decreased from 3.6%. However there are still actions we need to take, particularly in relation to the number of employees from minoritised communities in senior roles.

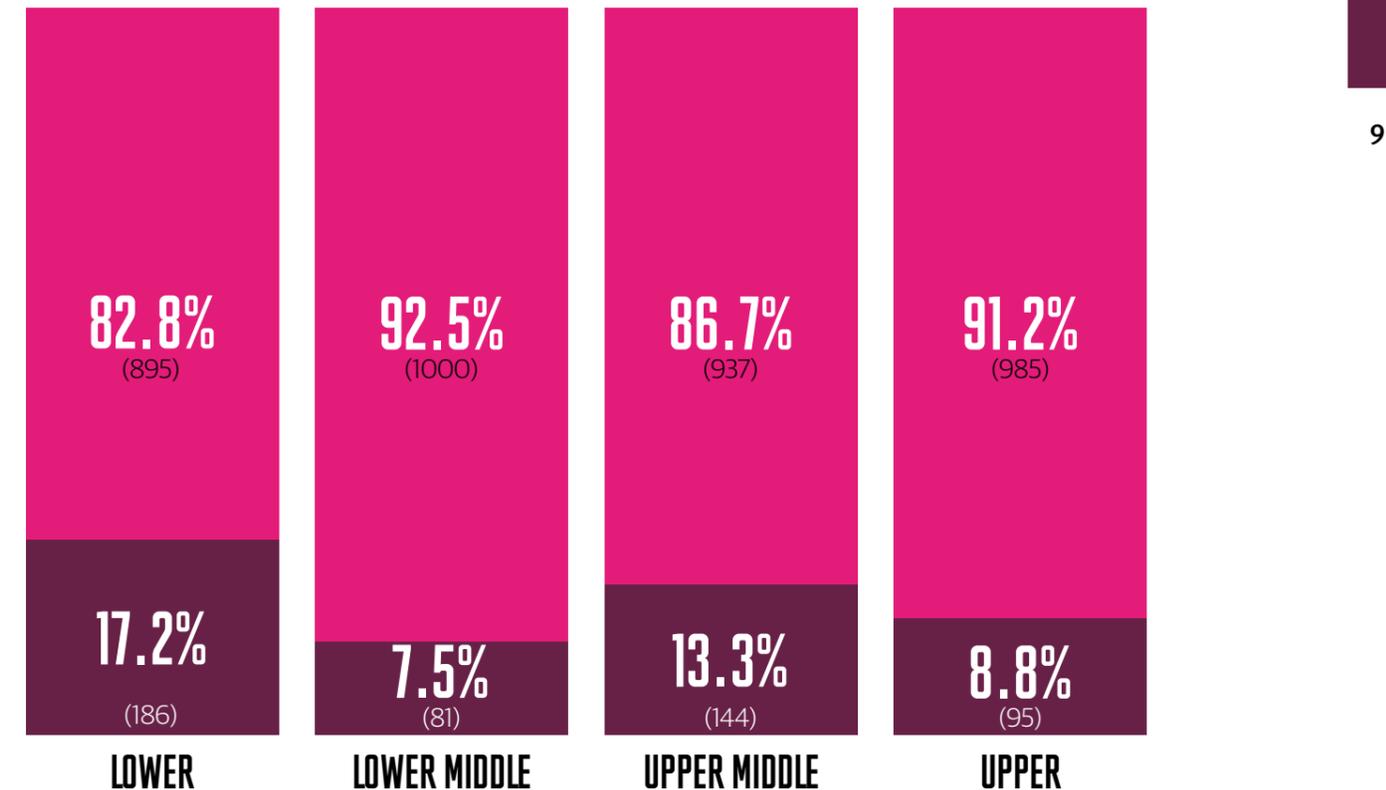
As the numbers are so small (9 employees) we are not including the mean and median bonus gap figures for employees from minoritised communities this year.

Proportion of white and employees from minoritised communities in pay quartiles

2021 results



2020 results



INTERSECTIONALITY

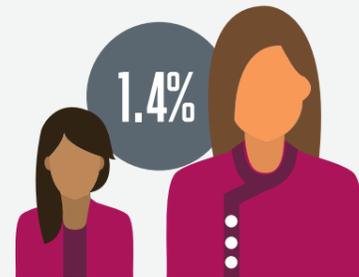
Intersectionality recognises that employees belong to several different groupings and aims to identify how these different groupings interrelate. These figures indicate that the gaps for female employees from minoritised communities are larger than for males from minoritised communities and white females. This is a group we should consider specifically in terms of actions.

Difference in mean hourly rate of pay

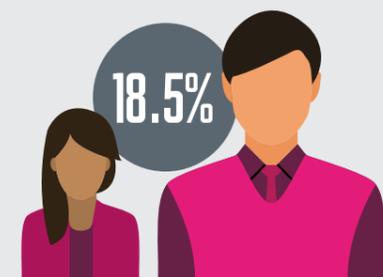
Mean pay gap between females from minoritised communities and white female employees



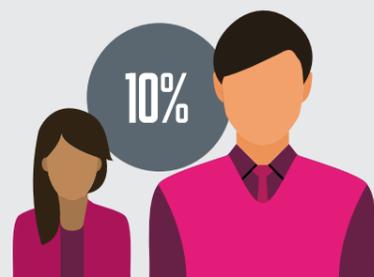
Mean pay gap between females from minoritised communities and white female employees exc. casuals



Mean pay gap between females from minoritised communities and white male employees



Mean pay gap between females from minoritised communities and white male employees exc. casuals



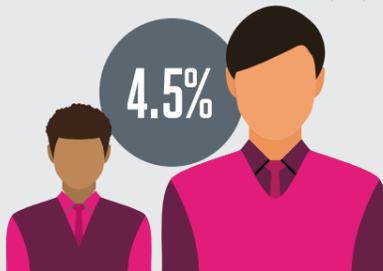
Mean pay gap between female and male employees from minoritised communities



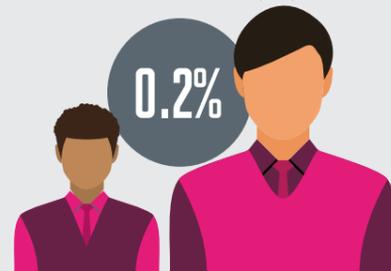
Mean pay gap between female and male employees from minoritised communities exc. casuals



Mean pay gap between males from minoritised communities and white male employees

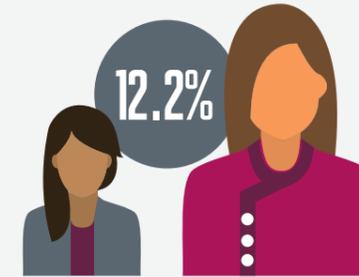


Mean pay gap between males from minoritised communities and white male employees exc. casuals



Difference in median hourly rate of pay

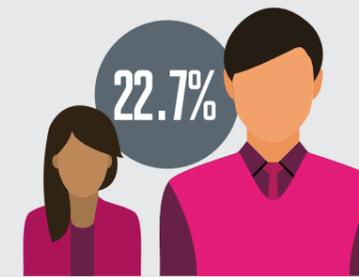
Median pay gap between females from minoritised communities and white female employees



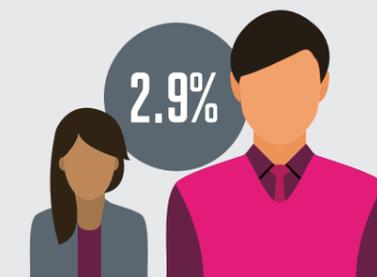
Median pay gap between females from minoritised communities and white female employees exc. casuals



Median pay gap between females from minoritised communities and white male employees



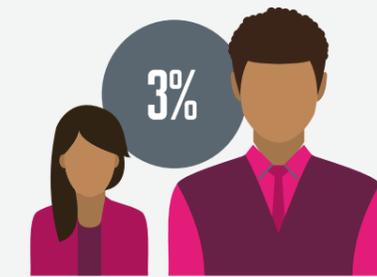
Median pay gap between females from minoritised communities and white male employees exc. casuals



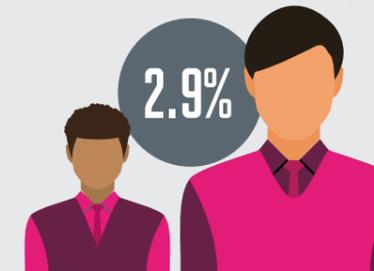
Median pay gap between female and male employees from minoritised communities



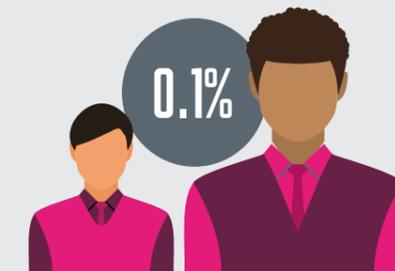
Median pay gap between female and male employees from minoritised communities exc. casuals



Median pay gap between males from minoritised communities and white male employees



Median pay gap between males from minoritised communities and white male employees exc. casuals



The figures including casual workers can fluctuate due to nature of workforce, however there is a general reduction excluding casual workers since 2019.

DISABILITY

Whilst we are not required to report pay gap data in relation to disability, we feel that it is important to report this to reflect our commitment to equality across all protected characteristics.

Out of a total workforce of 4387 employees, we currently have 285 (6.5%) employees who have declared a disability, 3766 (85.8%) who have not declared a disability and 336 (7.7%) whose disability status is unknown.

Pay gap data

The University's overall mean disability pay gap is 9.4%

The University's overall median disability pay gap is 8.4%

Excluding casuals:

The University's overall mean disability pay gap is 6.3%

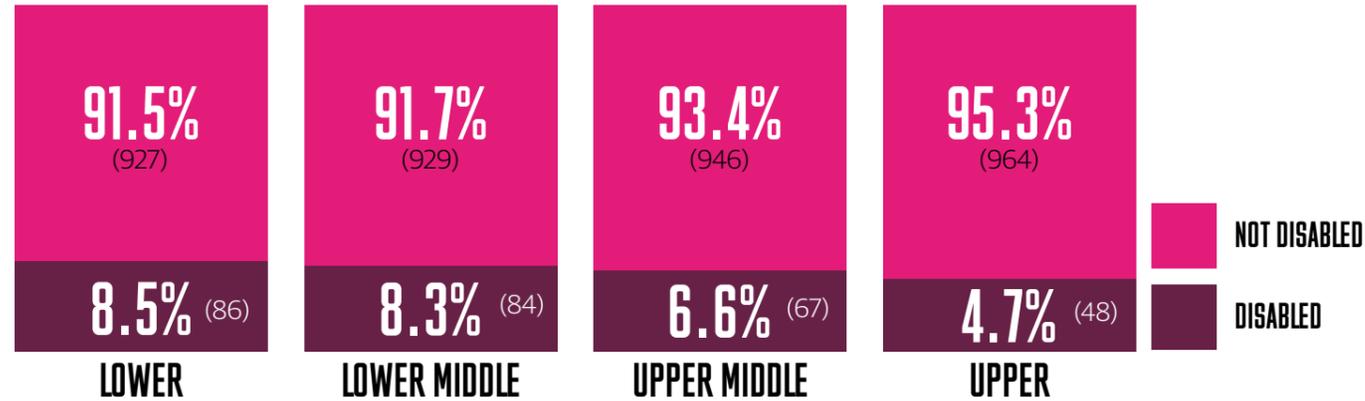
The University's overall median disability pay gap is 11.1%

The mean and median pay gaps have both decreased from March 2020 when the mean was 10.5% and the median was 16.2%. This is encouraging and reflects some of the progress we have made in addressing the pay gap.

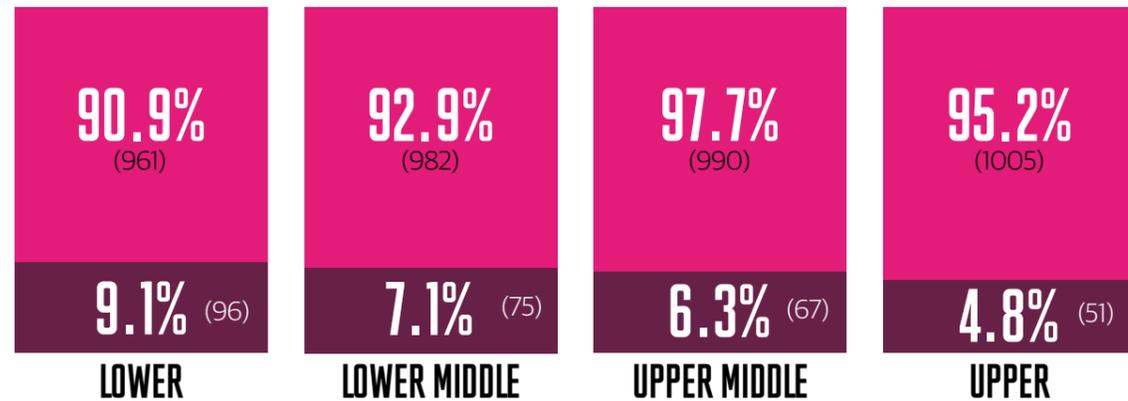
As the numbers are so small (3 employees) we are not including the mean and median bonus gap figures for disabled employees this year.

Proportion of Disabled and non-Disabled employees in pay quartiles

2021 results



2020 results



SEXUAL ORIENTATION

For the first time we are also reporting our sexual orientation pay gap figures this year.

Out of a total workforce of 4387 employees, we currently have 189 (4.3%) LGBTQ+ employees, 2603 (59.3%) heterosexual employees and 1595 (36.4%) whose sexual orientation is unknown. The large number of employees whose sexual orientation is unknown is something we want to address over the next 12 months.

Pay gap data

The University's overall mean sexual orientation pay gap is 7.8%

The University's overall median sexual orientation pay gap is 13.7%

Excluding casuals:

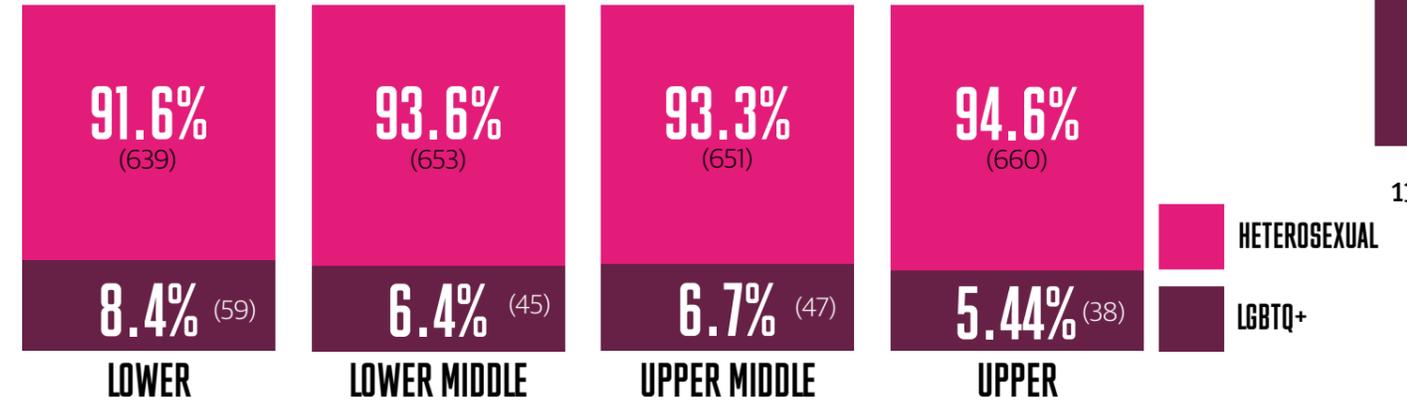
The University's overall mean sexual orientation pay gap is 7.1%

The University's overall median sexual orientation pay gap is 5.7%

As the numbers are so small (1 employee) we are not including the mean and median bonus gap figures.

Proportion of LGBTQ+ and Heterosexual employees in pay quartiles

2021 results



CLOSING THE GAP

Equality, diversity and inclusion are a priority for the University and we will continue to work towards closing the pay gaps along with other initiatives to improve equality for students and staff. We will continue to prioritise activity that helps attract, retain and develop female, disabled and LGBTQ+ employees and employees from minoritised communities, particularly in those areas where there is the greatest need.

To support this work, the University Leadership Team (ULT) has a champion for each of the protected characteristics who promotes each group and leads activity to raise awareness and improve outcomes in their areas. The Champions are active in leading steering groups across the protected characteristics. Development for the ULT Champions is currently being delivered. This role will continue to be a priority in 2022.

We are committed to closing the pay gap for all groups. To achieve this, the actions we outlined in our previous Pay Gap reports continue to be our key priorities:

Previous priorities:

- Aim for a workforce with an equal balance of male and female employees at each grade.
- Investigate the barriers to part-time working at a senior level.
- Continue to support female, BAME and disabled employees to progress in their careers so that the proportion of these groups in senior grades increases by offering targeted development as well as ensuring their participation in other leadership development programmes.
- Review the University's promotion processes to ensure that opportunities to progress are equal.
- Deliver mandatory unconscious bias training for managers who are involved in decision making within recruitment and reward processes with effect from 1 April 2018.
- Complete regular Equal Pay Audits to provide analysis and insight into gender pay issues and track our progress.
- Undertake further analysis on the effect of starting salary recommendations, revising the guidance to managers as appropriate.
- Embed equality analysis in our decision making and processes, ensuring they are completed for all aspects that affect gender pay.
- Consider a development programme for Grade 2/3 staff in order to support them with their future personal and career development.
- Review our approach to flexible working in the context of the Covid-19 pandemic.
- Improve our systems for monitoring the progression of employees with protected characteristics, who have been supported in their career development.

In addition we will:

- Encourage employees to complete their diversity information to reduce the number of employees whose status under each protected characteristic is unknown.
- Undertake more outreach activity to widen the pool of potential candidates for vacancies.
- Develop our leadership and management development offer to ensure it fully supports all employees

In terms of progress we have:

- Included our LGBTQ+ pay gap in the 2021 pay gap report.
- Shared pay gap information at a College and Directorate level with leadership teams.
- Increased our pay rates to continue to match the recommended Living Wage Foundation hourly rate for all employees and casual workers.
- Completed the first cohort of Leading Into the Future, a targeted leadership development programme to support and encourage employees from minoritised communities into senior roles.
- Introduced an approvals panel for starting salaries to ensure that decisions are consistent and fair.
- Continued to discuss the diversity profile of their area with each recruiting manager to identify areas of disparity and considered attraction strategies that will address them.
- Continued to use the equal merit principle in recruitment campaigns as a way of embedding positive action.
- Undertaken outreach activity with schools.
- Continued to develop our Equality Impact Assessment process and guidance to ensure that all of our activities are inclusive and do not directly or indirectly discriminate against any protected characteristics.
- Launched the Hallam Values which include the value of inclusion.
- Launched our new Equality Objectives which include an objective to 'improve equality of access, outcome and experience for students and staff so that all can succeed and thrive.'
- Launched the Inclusive Hallam Champions network to support and promote an inclusive culture.
- Launched the Inclusive Hallam events, with eight all-staff events taking place through the year on broad range of EDI themes.
- Launched the Protect & Respect programme, a new approach to EDI development focused on creating a safe and inclusive culture.
- Re-validated our Disability Confident Leader status.
- Made our first submission to the Race Equality Charter (REC).
- Committed to submitting for Institutional Athena Swan for 2023.
- Strengthened our support for departments to submit for Athena Swan awards.
- Developed plans to submit for the Stonewall Workplace Equality index in 2022.



GLOSSARY

Pay

Pay includes basic pay, allowances, paid leave and shift premium pay. It does not include overtime, redundancy payments or expenses. Bonus pay includes cash, vouchers and any remuneration which relates to productivity, performance, incentive or commission.

Pay gap

The pay gap is the difference in hourly pay between two groups of employees in an organisation. It is expressed as a percentage of the group who are usually paid more e.g. the gender pay gap is a percentage of the hourly pay of male employees. A positive number means male employees earn more than female employees and a negative number means the reverse.

Equal pay

As set out in the Equality Act 2010, male and female employees in the same employment performing equal work must receive equal pay. This is different to the pay gap which looks at all employees, not just those performing equal work.

Mean pay

The mean is the sum of all the hourly pay rates for a group of employees added together and then divided by the number of employees in that group. Due to the way in which it is calculated, the mean is affected by hourly pay rates that are very low or very high in comparison to other pay rates.

Median pay

The median is the hourly pay rate that falls in the middle of a group of pay rates when they are ordered from smallest to largest. Due to the way in which it is calculated, the median is not affected by hourly pay rates that are very low or very high in comparison to other pay rates.

Quartiles

Quartiles divide employees into four groups, depending on their pay rate, when these are ordered from smallest to largest. Each quartile is then analysed to establish the percentage of employees in each quartile who are from each group.

