

# Gender and Ethnicity Pay Gap Report

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# Gender and Ethnicity Pay Gap Report

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V1.00	30/03/2023	Board of Trustees	UCEM

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# Gender and Ethnicity Pay Gap Report

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# Gender and Ethnicity Pay Gap Report

## 1. Introduction

University College of Estate Management (UCEM) is a long-standing and leading provider of supported online education. UCEM exists to provide accessible, relevant, and cost-effective education which enhances careers, increases professionalism and contributes to a sustainable built environment. Operating from the UK and Hong Kong, UCEM has a global reach, with over 3,500 students studying at any one time.

In accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, UCEM is required to carry out gender pay gap reporting. It is important to highlight that gender pay gap differs 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. Gender pay gap shows the differences in the average pay between men and women and is calculated as the difference between the average hourly earnings of men and women, as a proportion of average hourly earnings of men's earnings. This report focuses on gender pay gap only, however UCEM supports equal pay for men and women at work.

Within this report we publish the six calculations required under the Regulations:

1. Gender pay gap as a *mean average*
2. Gender pay gap as a *median average*
3. Bonus gender pay gap as a *mean average*
4. Bonus gender pay gap as a *median average*
5. Proportion of males receiving a bonus payment and proportion of females receiving a bonus payment
6. Proportion of males and females when divided into four groups ordered from lowest to highest pay.

In addition to presenting the calculations, observations are made about business activities during the reporting year, which are responsible for driving the outcomes of the calculations.

For the first time since reporting began and despite this not being a mandatory requirement, we have included an ethnicity pay gap analysis. This has been made possible due to a new data collection exercise undertaken within the staff group during the reporting year. We hope to develop this aspect of reporting further, in future years.

# Gender and Ethnicity Pay Gap Report

## 1.1 Declaration



I confirm that our data has been calculated according to the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Ashley Wheaton, Principal



I confirm that our data has been calculated according to the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Amanda Clack, Chairman, UCEM Board of Trustees

# Gender and Ethnicity Pay Gap Report

## 2. Gender pay gap data

### 2.1 Pay data

We collected our data on 5 April 2022, when our workforce consisted of 210 women and 142 men; this is a total workforce of 352 (59.7% women and 40.3% men). This was a change from the previous year when our total workforce was 361, consisting of 204 women (56.5%) and 157 men (43.5%).

The mean gender pay gap is the difference between the average hourly earnings of men and women. The figures show that UCEM has a **mean gender pay gap of 13.5%**. The average hourly pay rate for men is £23.97 and women £20.74, which is a difference of £3.22 per hour.

The median gender pay gap is the difference between the midpoints in the ranges of average hourly earnings of men and women. The figures show that UCEM has a **median gender pay gap of 12.9%**. The midpoint for men is £22.75 and women £19.83, which is a difference of £2.93 per hour.

This is the first year since reporting began that UCEM has seen the gap widen slightly for both the mean and median. The previous year showed a mean gender pay gap of 12.3% (1.2% lower) and a median gender pay gap of 9.2% (3.7% lower). Naturally, any widening gap is concerning, given UCEM has closed the gap since 2017 from 17% (mean) and 19.3% (median).

In the **lower quartile**, there were 68 women and 20 men (68 women and 23 men previously). In the **lower middle quartile**, there were 61 women and 27 men (57 women and 33 men previously).

In these lower quartiles, 73.3% of our employee group were women, compared to 69.1% the previous year. This is an increase of women by 4.2%.

In **upper middle quartile**, there were 41 women and 47 men (32 women and 58 men previously). In the **upper quartile**, there were 40 women and 48 men (47 women and 43 men previously).

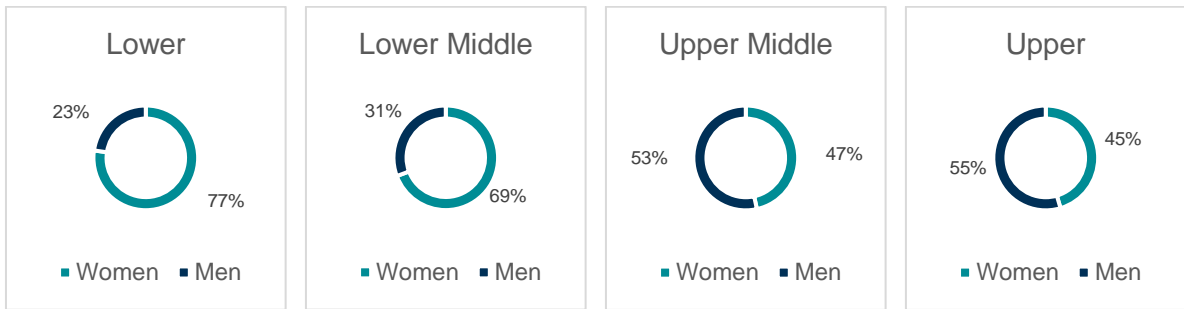
In these upper quartiles, 46% of our employee group were women, compared to 43.9% the previous year. The 2.1% overall increase in the number of women in the upper quartiles is positive, however the decrease in women and the increase in men in the upper quartile, must be noted and commented upon.

### Summary of the key reporting data:

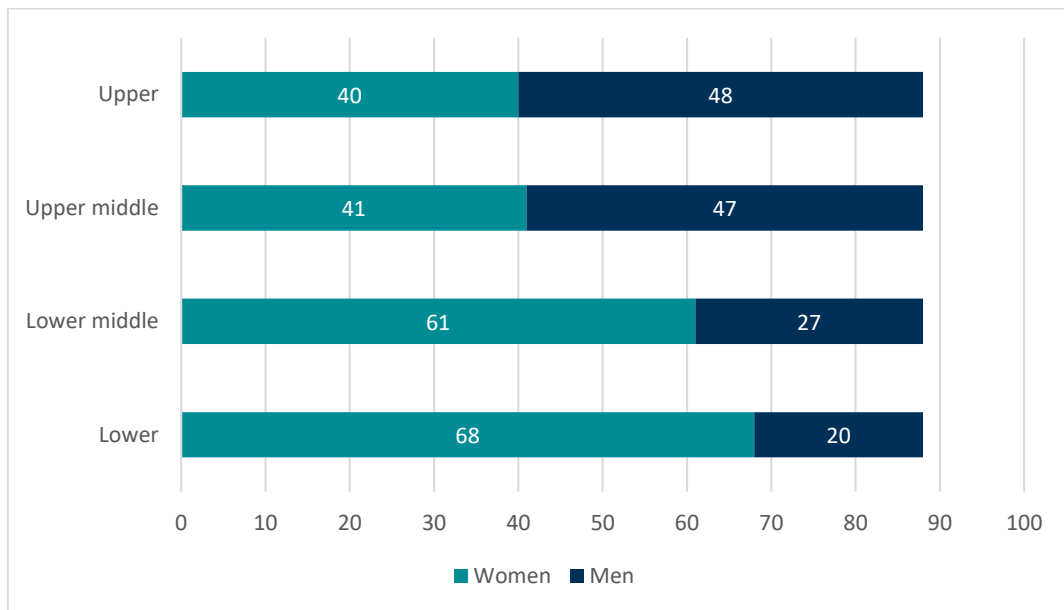
	Women's earnings are:	Previous year 2021
Mean gender pay gap in hourly pay	13.5% lower	12.3% lower
Median gender pay gap in hourly pay	12.9% lower	9.2% lower

# Gender and Ethnicity Pay Gap Report

## Proportion of women and men in each pay quartile:



## Number of women and men in each pay quartile:



## Total workforce:

Year	Women	Men	Total	Total change
2022	210	142	<b>352</b>	2.5% decrease
2021	204	157	<b>361</b>	0.6% decrease
2020	201	162	<b>363</b>	4.6% increase
2019	192	155	<b>347</b>	3.4% decrease
2018	186	173	<b>359</b>	19.7% increase
2017	150	150	<b>300</b>	n/a – first reporting year

# Gender and Ethnicity Pay Gap Report

## 2.2 Observations about the reporting year (pay data)

In the reporting year there were more women and less men overall, than the previous year. Despite this, the gender pay gap has widened (both mean and median).

Overall there were more women in the lower quartiles (combined) and the upper quartiles (combined), however the fact there were seven less women in the upper quartile, is contributing in part to the increase in the gender pay gap. It is noted that the lower quartile is seeing an increase in the number of women, and the upper quartile is seeing a decreasing number; which appears to be stretching the hourly pay rate range for women.

The snapshot date for reporting purposes fell within a year when UCEM increased staff recruitment activity. Despite the pandemic, throughout 2021 and early 2022 a number of job vacancies were filled, some of these at a senior (upper middle and upper) quartile level. Looking at the staff profile of these appointments, a number of these roles were filled by males, which is a contributing factor to the widening gender pay gap. UCEM consistently runs recruitment and selection processes which seek only to appoint the most suitable candidate for the role, against the person specification requirements.

Other factors contributing to the widening gap, some of which have been in existence in previous reporting years, include the following:

- There are more women than men sacrificing a higher proportion of salary to receive childcare vouchers as an employment benefit. In addition, there are more women than men enhancing their salary sacrifice pension contribution. In both instances this reduces the hourly pay rate of women, for the purposes of calculating the gender pay gap.
- Overall, the makeup of pension scheme membership at UCEM shows a higher number of women than men; naturally, this reflects the overall profile of the workforce. However, it should be noted that two of the three pension schemes at UCEM operate on a default salary sacrifice basis, and this has the effect of reducing hourly pay rates by the amount sacrificed. Given there are more women members, this means hourly rates are reduced for a larger proportion of the female workforce, for the purposes of calculating the gender pay gap.
- The higher end of the lower middle quartile, almost the entirety of the upper middle quartile, and the lower end of the upper quartile, is dominated by Associate Tutor staff. This section of the workforce whilst generally stable, sees starters and leavers in each year. During the reporting year UCEM undertook a large recruitment campaign to increase the number of Associate Tutor workers, hence the spread across quartiles. The hourly pay rate of these workers is uniform so it is not responsible for the gender pay gap, however there are more men than women in this staff group, which is a contributing factor.
- UCEM continues to see an increase in the number of men both applying for and being appointed to administrative and professional services roles, however this area of work is still dominated by women.

Overall, UCEM has an effective annual pay benchmarking process in place. UCEM participates in two sector-specific salary surveys each year and uses the published results to help inform pay review. This makes sure that pay rates between men and women are monitored closely and pay is aligned to the job role only, which also helps to reduce any pay gaps which may exist.



# Gender and Ethnicity Pay Gap Report

## 2.3 Bonus data

In the reporting year 2021-22, 225 employees (63.9%) received a bonus; 156 were women and 69 were men. All bonuses paid were based on performance, with some being discretionary and others based on the contract of employment.

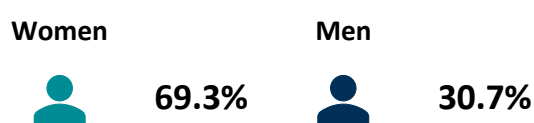
This is a significant increase in the number of bonuses awarded during the reporting year, compared to the previous reporting year which fell during the Covid pandemic.

For those bonuses paid, the **mean bonus gender pay gap was 25.6%** and the **median bonus gender pay gap was -6.2%**. This is an improved bonus gender pay gap position on the previous year.

### Summary of the key reporting data:

	Women's bonuses are:	Previous year 2021
Difference in mean bonus payments	25.6% lower	50.3% lower
Difference in median bonus payments	6.2% higher	64.5% lower

### Proportion of women and men receiving a bonus payment:



## 2.4 Observations about the reporting year (bonus data)

The reporting year was the first year since the pandemic that discretionary performance-related bonuses were re-ignited. UCEM has a structured Performance and Development Review process which aims to reward good individual performance. In addition, some job roles attract additional bonuses, such as those focused on student recruitment activities. Overall, it is therefore no surprise that more women received a bonus in the reporting year, given women make up a higher proportion of the workforce at UCEM.

The bonus gender pay gap as a mean average is an improvement on the previous year, which is pleasing. For factual context, the mean is skewed by the gender of job holders at the top end of the upper quartile.

The bonus gender pay gap as a median average is a reversed position and a significant improvement on the previous year, where women on average received higher bonuses than men.

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## 2.5 Benchmarking

Despite the widening gender pay gap, we are pleased that the median at 12.9% falls below the median national average of 14.9%, as published by the ONS\* (2022 provisional).

\*This relates to the pay period that includes 27 April 2022. Office for National Statistics (ONS), released 26 October 2022, ONS website, statistical bulletin, [Gender pay gap in the UK: 2022](#)

When looking to higher education benchmarks for comparison, the Universities and Colleges Employers Association (2022) has published an analysis showing a median of 16.2%, however this draws on data from the prior reporting year only.

## 3. Ethnicity pay gap data

### 3.1 Pay data

The ethnicity pay gap shows the difference in the average hourly pay rate between staff from ethnic minority backgrounds in the workforce, compared to 'white' staff. A positive percentage means that the average hourly pay rate of white staff is higher than those from other ethnic minority groups combined. Please note, the ethnicity pay gap is different to equal pay.

Using the same data set as for gender pay (total workforce of 352), 271 staff were white (77%) and 56 from ethnic minority groups (15.9%). 25 staff did not provide ethnicity data (7.1% non-responders).

The mean ethnicity pay gap is the difference between the average hourly earnings of white staff and ethnic minority staff. The figures show that UCEM has a **mean ethnicity pay gap of 6%**. The average hourly pay rate for white staff is £22.37 and ethnic minority staff is £21.03, which is a difference of £1.34 per hour.

The median ethnicity pay gap is the difference between the midpoints in the ranges of average hourly earnings of white and ethnic minority staff. The figures show that UCEM has a **median ethnicity pay gap of 0%**. The midpoint for both white and ethnic minority staff is £22.18. This midpoint is driven by the fact that a number of staff within the workforce (within the pay quartiles) hold the job role of Associate Tutor, for which there is a fixed pay rate.

In the **lower quartile**:

- 86.4% were white staff and 13.6% were ethnic minority staff.

In the **lower middle quartile**:

- 81.7% were white staff and 18.3% were ethnic minority staff.

In the **upper middle quartile**:

- 76.8% were white staff and 23.2% were ethnic minority staff.

In the **upper quartile**:

- 86.6% were white staff and 13.4% were ethnic minority staff.

In the **lower quartiles combined**:

- 84% were white staff and 16% were ethnic minority staff.

In the **upper quartiles combined**:

- 81.7% were white staff and 18.3% were ethnic minority staff.

# Gender and Ethnicity Pay Gap Report

## 3.2 Observations about the ethnicity data

Given this is the first year we have been able to include ethnicity data within the analysis, we do not have any comparisons to make to the previous year. In the future we will investigate whether any relevant benchmarks are available to compare to, noting ethnicity pay gap reporting is not yet mandatory for organisations.

We will continue to encourage staff to share ethnicity data through our annual data collection exercise, as this will allow us to understand our position more accurately and better inform action planning.

## 4. Closing remarks

It is concerning that there has been a slight widening of the gender pay gap in this reporting year, after closing the gap in prior years. Whilst remaining below national and sector benchmarks gives some reassurance, we will continue to strive to do better.

Over the coming year UCEM will see a renewed focus on equality, diversity, and inclusion initiatives as part of its strategic plan, and we will make sure that gender and ethnicity pay gaps feature within associated action plans.