Heriot-Watt University Pay Gap Information

including Equal Pay Statement

April 2021- March 2025

Contents

List of Tables

List of Figures

Heriot-Watt University Pay Gap Information *including Equal Pay Statement* 2021-25

1.   Summary

1.1   At our UK campuses we have a persistent gender pay gap; 19.5% mean and 21% median. While this has reduced from 25% and 23% respectively since 2014 the pace of change has been slow. We continue to have poor information relating to disability and ethnicity disclosure with a consequence of hampering a meaningful diagnosis of any underlying issues. The data we do hold does not suggest any significant or persistent disability or ethnicity pay gaps.

1.2   We are required to publish mean and median pay gap information and the figures tells us slightly different things about the pay gaps as expressed by Close the Gap in Figure 1.

What is the difference between the mean and median pay gaps?   ▲

The **median pay gap** is calculated by finding the midpoint in all employees' hourly pay and discarding the lowest and highest rates of pay or 'outliers.' Therefore, half of the employees' earnings will be above the midpoint and half will be below the midpoint. Often, a median pay gap will be lower than its corresponding mean pay gap.

The **mean pay gap** is calculated by adding all employees' rates of pay together and dividing by the total number of employees. The mean includes all of the lowest and highest rates of pay, and therefore reflects the impact of the higher proportion of women working in lower paid roles, and the higher proportion of men in higher paid roles. International measures also use the mean when calculating the pay gap, which enables comparisons to be made with other countries.

Figure 1: Close the Gap explaining mean and median pay gaps[1]

1.3   We recognise our gender pay gap as a result of both vertical occupational segregation (distribution across salary grades with less women in higher grades) and horizontal occupational segregation (role type, with less women in professorial/senior leadership roles). To date we have not significantly addressed occupational segregation resulting in slow progress in reducing the gender pay gap.

1.4   We believe that significant change to the distribution and representation of women across grades and addressing underrepresentation in professorial/senior management roles will support reducing the gender pay gap. This requires a range of stretching interventions targeted at recruitment, promotion and progression.

1.5   We know that very little has changed over 2014-2020, in fact our composition has remained largely static cross the academic and professional service communities and as a consequence across the grades. Our trend data shows us that if we want to

---

[1] www.closethegap.org.uk/content/faq/#rlslider_9

increase the pace of change there is a need for new interventions and improved core working.

1.6   We have recognised that historically there has been an overreliance on the 'mean' where the figure is more susceptible to change as a result of small fluctuations in salaries. Given the compounded (vertical and horizontal occupational segregation) and persistent gender pay gap we believe that sustainable reduction of the gender pay gap will be shown by a reduction in the median figure. This supports future actions to be grade focused alongside addressing leadership/higher salary roles.

1.7   We know that we continue to have real data issues due to poor engagement with the people management system and data integrity. We are also behind in producing pay gap information that takes into account the wider reward and recognition package from employment at Heriot-Watt. This will be a key action over 2021-22.

1.8   A focus of our equality, diversity and inclusion (EDI) activity over 2021-25 is embedding EDI into our everyday, 'core' work. We are making sure that we are joined up, acknowledging that wider EDI and Athena Swan activities all have an impact.

2.   Context

2.1   This document is part of our UK and Scottish specific duties under the Public Sector Equality Duty[2] bringing together publication of our gender, disability and ethnicity pay gap information and our equal pay statement.

2.2   We know that the areas addressed will be of benefit across Heriot-Watt and all our campuses. We are 'one university', offering the same academic standards and operating policies[3] across the world at campuses in Scotland (Edinburgh, Scottish Borders, Orkney), Dubai and Malaysia and we are committed to progressing EDI outcomes across our jurisdictions.

2.3   Our Heriot-Watt University Equal Pay Statement (p6) outlines Heriot-Watt's commitment to equal pay. We know that the national pay framework minimises the likelihood of unequal pay. We also know that our University has major challenges resulting in significant gender pay gaps across grades and poor disclosure data across protected groups. This poor disclosure prevents meaningful examination of where, if any, disability and ethnicity pay gaps exist.

2.4   Our Equal Pay Working Group (EPWG) has a thorough understanding of how the gender pay gap presents at Heriot-Watt and provides oversight to our work. That group has been the primary author of this document.

---

[2] This document should be seen as part of a suite of equality related publications that support our aims of Advancing Equality, Diversity and Inclusion (EDI). All relevant information can be found on our website at www.hw.ac.uk.equality.
[3] Unless there are legal or cultural reasons for variation.

2.5 The EPWG is chaired by the Global Director of HR and includes representation from the academic community, professional services, trades unions, Reward and Wellbeing (including the equality, diversity and inclusion function) along with Strategy and Planning. Meeting quarterly the group provides a forum to oversee delivery of the previous action plan, develop better understanding of pay gap issues as they relate to Heriot-Watt and supports onward governance to relevant boards and committees. The EPWG looks across the University's operating jurisdictions applying the same principles of like work for like pay and addressing pay gaps where they occur.

2.6 We are publishing data covering 2014-2020. The 2014-2017 data uses a census date of 31 December, from 2018 we have used a census date of 31 March to align with the rest of the UK. We continue to use the pay gap standard where a pay gap of 5% or a pattern of 3% is significant enough to warrant attention.

2.7 The various pay gap calculations are based on two statistics for the average salary, namely the Mean and the Median.

2.8 The Mean salary for a group is the total of all of the salaries of the people in the group divided by the number of people in the group. The Median salary for a group is the salary of the middle person in the group when all the people in the group are sorted by their salary. An outline of the mean and median is shown in Figure 2: The Mean and The Median.
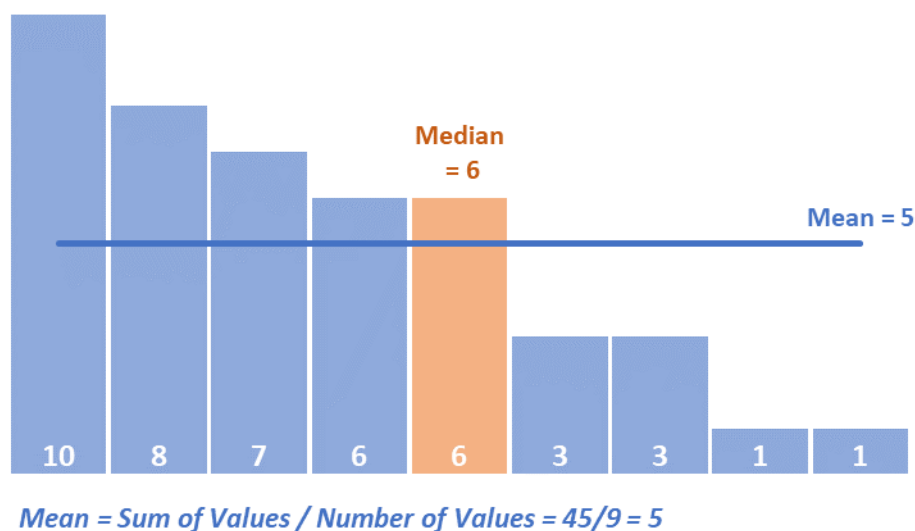

Figure 2: The Mean and The Median

2.9 The Pay Gap is calculated by comparing the average salary for one group against the other, with one version based on using the Mean salary and the other using the Median salary. The Pay Gap comparisons use the formulae outlined in Figure 3: Calculating the pay gap

Gender Pay Gap

$$\left(\frac{M-W}{M}\right) \times 100$$

Where M = average salary of Men, W = average salary of Women

Disability Pay Gap

$$\left(\frac{NKD-KD}{NKD}\right) \times 100$$

Where NKD = average salary of people with No Known Disability, D = average salary of people with a Known Disability

Ethnicity Pay Gap

$$\left(\frac{White-BME}{White}\right) \times 100$$

Where BME = average salary of people with a Black and Minority Ethnic background (also referred to as BAME)

Figure 3: Calculating the pay gap

3.   Heriot-Watt University Equal Pay Statement

3.1   Our Equal Pay Statement is based on an underpinning belief that staff should receive equal pay for like work.

3.2   We recognise that there can be an impact on equal pay linked to gender, disability and ethnicity. Indeed any protected characteristic may impact on equal pay and we are committed to understanding how those characteristics affect individuals and groups.

3.3   We are committed to undertaking equal pay audits and taking remedial action where necessary.

4. Pay Gap Information

4.1 The following section outlines our key pay gap information covering gender, disability and ethnicity. We are presenting data related to our UK campuses. We hold data for our Dubai and Malaysia Campuses under separate cover. Our data is also broken down by grade and academic and professional service staff groups.

a) Gender Pay Gap

4.2 Our mean and median gender pay gaps over 2014-2020 are shown in Table 1 and five year trend over 2016-2020 is illustrated in Figure 4. We can see a narrowing of the gender pay gap, however our progress is slow with the median pay gap only fluctuating by two percent.

Table 1: Gender Pay Gap All UK Staff including SMT 2014-2020

Mean Hourly Rate

		TOTAL		
		F	M-F%	M
TOTAL	2014	£ 17.65	25%	£ 23.57
	2015	£ 18.04	24%	£ 23.66
	2016	£ 18.51	23%	£ 24.13
	2017	£ 18.29	24%	£ 24.01
	2018	£ 18.89	22%	£ 24.13
	2019	£ 19.63	20%	£ 24.54
	2020	£ 20.09	19%	£ 24.95

Median Hourly Rate

		TOTAL		
		F	M-F%	M
TOTAL	2014	£ 16.27	23%	£21.10
	2015	£ 16.84	21%	£21.31
	2016	£ 17.03	21%	£21.55
	2017	£ 16.53	23%	£21.55
	2018	£ 16.82	21%	£21.28
	2019	£ 17.66	19%	£21.70
	2020	£ 17.98	21%	£22.75

Figure 4: Gender Pay Gap 2016-2020 including SMT

4.3 The data shows we have a persistent gender pay gap. When we look in more detail at the contributing factors we find that the gender composition of our employees, including the split between academic and professional services staff and representation across the grades has remained largely static since 2014.

4.4 Table 2 shows the gender composition of our UK staff over 2012-2020 showing relatively static percentage of men and women. Table 3 and Table 4 show this

distribution broken down into academic and professional service grades. Table 5 shows the percentage of staff by grade and gender, with the academic grades coming onto the salary scale at grade 6. Each of these tables illustrates that, regardless of organisational changes our staff population is largely static.

Table 2: Number and percentage of UK staff by gender 2014-2020

		F	Female			Male	M
			TOTAL				
TOTAL	**2014**	884		48%	52%		961
	2015	869		47%	53%		966
	2016	882		47%	53%		981
	2017	905		48%	52%		992
	2018	833		47%	53%		949
	2019	846		47%	53%		962
	2020	945		47%	53%		1066

Table 3: Number and percentage of UK academic staff by gender 2014-2020

		F	Female			Male	M
			TOTAL				
TOTAL	**2014**	236		30%	70%		538
	2015	243		31%	69%		534
	2016	250		31%	69%		557
	2017	251		31%	69%		562
	2018	238		31%	69%		538
	2019	240		31%	69%		527
	2020	258		31%	69%		573

Table 4: Number and percentage of UK professional service staff by gender 2014-2020

		F	Female			Male	M
			TOTAL				
TOTAL	**2014**	648		61%	39%		423
	2015	626		59%	41%		432
	2016	632		60%	40%		424
	2017	654		60%	40%		430
	2018	595		59%	41%		411
	2019	606		58%	42%		435
	2020	687		58%	42%		493

Table 5: % of UK overall staff across grades 2016-2020

Grade	2016 F	2016 M	2017 F	2017 M	2018 F	2018 M	2019 F	2019 M	2020 F	2020 M
1	33%	67%	33%	67%	33%	67%	44%	56%	55%	45%
2	83%	17%	83%	17%	67%	33%	75%	25%	67%	33%
3	74%	26%	73%	27%	73%	27%	69%	31%	66%	34%
4	62%	38%	63%	37%	57%	43%	56%	44%	55%	45%
5	72%	28%	72%	28%	73%	27%	70%	30%	67%	33%
6	65%	35%	69%	31%	65%	35%	68%	32%	66%	34%
7	42%	58%	42%	58%	41%	59%	42%	58%	44%	56%
8	41%	59%	40%	60%	40%	60%	42%	58%	39%	61%
9	33%	68%	33%	67%	34%	66%	33%	67%	34%	66%
10	20%	80%	20%	80%	22%	78%	23%	77%	24%	76%

*NB low staff numbers in lower grades where grade 1 referred to a maximum of 11 employees in 2020 and grade 2 a maximum of 6 in 2020.

4.5 Given that we know our gender pay gap is significantly impacted by the underrepresentation of women in academic roles and at higher grades without making a change to the composition of our staff we are not significantly impacting on our gender pay gap. This is the basis of actions that we plan to take forward over 2021-25 to create tangible change and meet our ambitious target of reducing the median gender pay gap shown by a 5-10% reduction by 2025.

b)   Disability Pay Gap

4.6 Our disability pay gap information is largely meaningless due to very low disclosure rates. Table 6 and Figure 5 outlined the pap gap information based on the data we hold, however as outlined in Table 7 our disclosure rates over 2014-20 are between 3-5% referring to just 49 staff in 2020.

Table 6: Disability Pay Gap All UK Staff including SMT 2014-2020

Mean Hourly Rate

TOTAL	Y	N-Y%	N
2014	£ 16.38	22%	£ 20.96
2015	£ 16.81	22%	£ 21.49
2016	£ 16.43	26%	£ 22.06
2017	£ 16.25	25%	£ 21.60
2018	£ 17.34	21%	£ 21.84
2019	£ 18.37	19%	£ 22.80
2020	£ 20.16	14%	£ 23.36

Median Hourly Rate

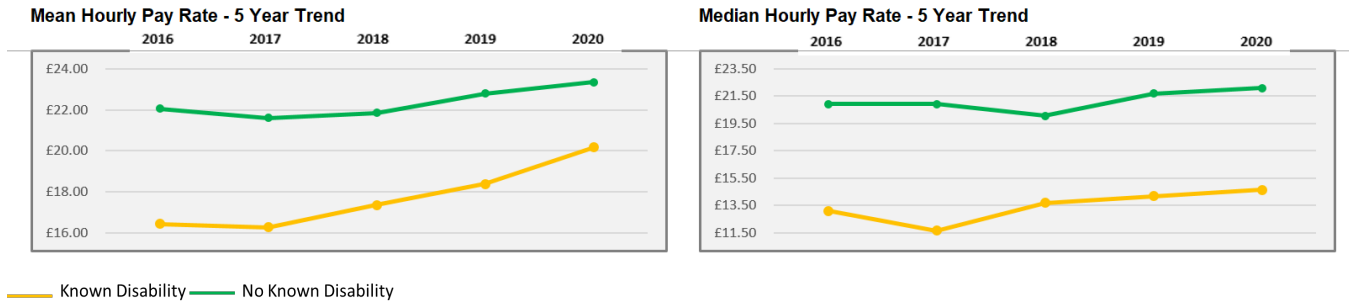| TOTAL	Y	N-Y%	N
2014	£ 13.18	36%	£ 20.49
2015	£ 13.31	36%	£ 20.69
2016	£ 13.08	37%	£ 20.92
2017	£ 11.63	44%	£ 20.92
2018	£ 13.69	32%	£ 20.06
2019	£ 14.17	35%	£ 21.70
2020	£ 14.64	34%	£ 22.09

Figure 5: Disability Pay Gap 2016-2020 including SMT

Table 7: Disability Disclosure 2014-2020

		Y	Disability		No Disability		N
				TOTAL			
TOTAL	**2014**	82		4%	96%		1767
	2015	68		4%	96%		1642
	2016	63		4%	96%		1680
	2017	54		3%	97%		1694
	2018	54		3%	97%		1721
	2019	46		3%	97%		1561
	2020	49		3%	97%		1742

4.7 We are not able to make a meaningful interpretation of the data for disability. We do know from work with the Disability Inclusive Science Careers (DISC[4]) project that there are a range of complex issues facing disabled staff, and that disabled academics have a range of barriers to progression that we are committed to addressing through our EO 5: Support the progression of disabled academics.

c)   Ethnicity Pay Gap

4.8 Our ethnicity pay gap data do not show significant pay issues for our BAME staff, if the data is reliable it shows that pay gaps are generally in favour of BAME employees. Disclosure rates are higher by 2020 (Table 9) and roughly in line with the Scottish census data[5] however our employee profile is complex with a range of nationalities represented.
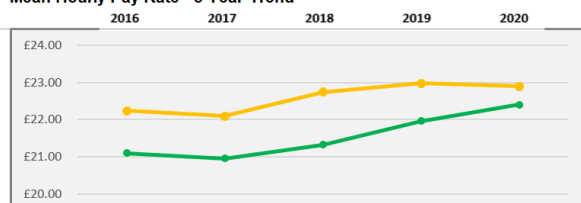
---

[4] DISC – an EPSRC funding project

[5] www.scotlandscensus.gov.uk/ethnicity-identity-language-and-religion#:~:text=The%20African%2C%20Caribbean%20or%20Black,14%2C000)%20of%20the%20total%20population.
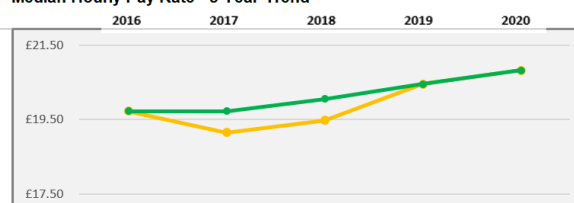
Table 8: Ethnicity Pay Gap All UK Staff including SMT 2014-2020

Mean Hourly Rate

			TOTAL				
			B		W-B%		W
TOTAL	2014	£	22.27	-10%	£	20.24
	2015	£	22.58	-10%	£	20.46
	2016	£	22.24	-5%	£	21.10
	2017	£	22.10	-5%	£	20.95
	2018	£	22.75	-7%	£	21.32
	2019	£	22.98	-5%	£	21.96
	2020	£	22.90	-2%	£	22.40

Median Hourly Rate

			TOTAL				
			B		W-B%		W
	2014	£	20.49	-9%	£	18.83
	2015	£	20.69	-9%	£	18.95
	2016	£	19.73	0%	£	19.73
	2017	£	19.15	3%	£	19.73
	2018	£	19.48	3%	£	20.06
	2019	£	20.46	0%	£	20.46
	2020	£	20.83	0%	£	20.83

— BAME — White

Figure 6: Ethnicity Pay Gap 2016-2020 including SMT

Table 9: Ethnicity Disclosure 2014-2020

			TOTAL			
		B	BAME		Non BAME	W
TOTAL	2014	152		10%	90%	1442
	2015	147		9%	91%	1429
	2016	165		10%	90%	1449
	2017	165		10%	90%	1487
	2018	166		11%	89%	1379
	2019	183		12%	88%	1393
	2020	231		13%	87%	1574

4.9   There are some issues with the data integrity of the ethnicity data set which needs to be further addressed as part of our actions over 2021-25.

5.   Next Steps and outline actions 2021-25

5.1   We are committed to reducing the median gender pay shown by a reduction of 5-10% by 2025. This commitment is included in our Equality Outcomes (EO) in EO 1: Reduce the median gender pay gap. This is not the only transformative change we

want to see and we are confident that the range of actions we have identified will impact across the representation of underrepresented groups and EDI pay issues.

5.2 Across our EDI activities we are improving embedding EDI into core activities and taking steps toward transformative change through added value initiatives and projects – though we recognise it may take some time to move this working forward. We are also streamlining the crowded EDI space, creating better linkages and cross referencing activity in areas such as a Athena Swan and British Sign Language.

Athena Swan.

5.3 We consider the largely static population distribution to be the key reason behind our slow progress in narrowing the gender pay gap. Furthermore, we acknowledge that our STEM (science, technology, engineering and maths) focus has a major influence on the gender profile of our academic population; we are sure that real change will come from initiatives that impact on diversifying the profile of our academic population in particular. We believe that increasing the representation of women in STEM across grades 7 to 10 is an outcome that will have the most tangible impact on the composition of our staff population, which should present in changes to the gender pay gaps across these grades supporting a reduction in the mean and the median figures.

5.4 We are working to better embed our work, improving synergy across EDI strands. This means we reduce the risk of duplication and make sure that our EDI work is complimentary. Our University Athena Swan (AS) Bronze Action Plan covers 2020-25 and has identified addressing the static nature of female representation in STEMM. A priority is to accelerate progress towards meeting the UK benchmark (currently 40.5%). Our action plan commits to initiatives to improve female representation at Grade 7 and 8 via recruitment, the key entry route to these roles; improving recruitment of women into the earlier career grades we will be able to build on our success at STEMM Grades 9 and 10 by further opening up opportunities for progression. We will be continuing to practice a holistic approach ensuring that good practice is replicated across all grades and disciplines.

5.5 Our AS actions impact across a range of areas that will create positive impact on our gender pay gap. Rather than fully replicate those as actions within this document Table 10 below summarises those AS objectives (along with reference numbers) that directly support our goal to reduce the gender pay gap. We anticipate that future reporting on this document will include extracted information relating to the actions below to demonstrate impact/success.

Table 10: Athena Swan Objectives that directly impact on the gender pay gap

Ref	Objective
1.	Increase visibility of HWU to potential employees via a high profile campaign to improve the female STEMM ECR applicant rate.
2.	Provide targeted support for areas where women aren't applying to improve the rate of STEMM female applicants
3.	Increase the number and visibility of flexible career opportunities in STEMM ECR roles to improve female representation
4.	Embed family friendliness in HWU culture to increase sense of belonging in potential applicants
5.	Increase support for part-time staff to access career development opportunities to improve the rate of part-time staff applying for promotion
6.	Increase the rate of people applying for part-time personal fellowships

Our Challenges

5.6   Our biggest challenges fall mainly into two categories; improving information for disability and ethnicity to enable relevant actions to be determined and taking steps to reduce the gender pay gap.

5.7   Along with priority areas outlined at Athena Swan and at 6. Pay Gap Priority Areas, we have areas of core work that will be taken forward to support addressing pay gaps. Future reporting on the commitments in this document will include progress updates in addressing the following core work-streams:

> **5.7.1**   **Better data systems**. Our new people management system(ERP) launched in Spring 2021 and we are confident the plans for engagement and data integrity will support improved data across protected characteristic groups.
>
> **5.7.2**   **Improved data: disclosure and integrity.** We need to taking steps to increase disclosure through improved engagement with the ERP and building a culture where employees what to disclose.
>
> **5.7.3**   **Review and Refresh**. Undertaking a review and refresh of relevant pay, reward and recognition policies and procedures including addressing impact of reward on pay gaps, the potential impact of zoning on grade 10, uptake of relocation costs offering, and review of Global Reward Policy (includes market supplements).
>
> **5.7.4**   **Change Impact and Culture**. There is a need to undertake work to assess the impact of voluntary severance in response to the COVIC-19 pandemic particularly to build an understanding of any impact linked to horizontal and vertical occupational segregation.

6.   Pay Gap Priority Areas

6.1   To support achieving our EO 1: Reduce the median gender pay gap we need to address the challenges outlined above and through activities focusing on recruitment, promotion and progression. We know that recruitment, promotion and

progression provide the most opportunity for making long-term impactful change and reducing the pay gap:

6.1.1 Recruitment. Focusing on recruitment recognises that a major shift in the composition of our employees will have an impact on the gender (and any other protect characteristic) pay gap. A key mechanism in supporting greater employee , particularly academic diversity, is via recruitment.

6.1.2 Promotion. We know that promotion processes can be further improved to support greater diversity in academic promotions. Adapting existing good practice in addressing gendered issues in the promotions workshops to full take account of disability and ethnicity will support that aim and links our EO 5: Support the progression of disabled academics. There is also a need to understand issues such as; length of time it takes for new starts to progress.

6.1.3 Progression: Greater recognition of succession planning and developing targeted **initiatives** for underrepresented groups will support us to be better at succession planning. This work links to our Athena Swan objective to increase the representation of women in STEM.

6.2 Alongside these areas of specific action are supported by the embedded and enhanced core work highlighted earlier and our AS activities. We acknowledge that our work will not be limited to our EOs or the actions highlighted in this document. Rather we are working with 'living commitments'. They will change and adapt over time, as they should, so that we are doing something tangible about the challenges we have identified.

7.　Pay Gap Action

Ref	Objective	Identified Challenge	Sub-actions	Success measures*	Owner	Start – complete
1	**Recruitment**: Diversify appointments	Recruitment supports changing staff composition	▪ Review of where we advertise and language used. ▪ Increase visibility of our offer, in particular family friendly/carer/support groups policies and support. ▪ Improve training and guidance for Recruiting Managers. ▪ Increase diversity on shortlist/selection panels.	▪ Increase in diversity of applicants and appointments. ▪ Managers feel supported and confident to make diverse appointments	Global Director of HR / Head of Recruitment	Q4 2021-Q1 2025
2	**Promotion**: Diversify promotion applicants and successful cases	Promotion and Progression	▪ Internal/External Review of starting /promotion salaries for Grade 10 staff ▪ Develop and Communicate career pathways and succession planning guidance. ▪ Increase opportunities for internal secondments.	▪ Equality in promotion and progression outcomes: a) Increase in cases from across all PC groups b) Improved role models and communication of success measures	Global Director of HR / Head of Reward & Engagement	Q4 2021-Q1 2025
3	**Progression**: Pay is driven by size of the role and performance not personal characteristics	Implementation of Reward Policies and Processes Reward impact on Staff composition and pay	▪ Audit of Total Remuneration (include all additional allowance and benefits) ▪ Develop clear statements and guidance for: a) Starting salary b) Exceptional pay increase c) Secondary appointments d) Market pay	▪ Gender Pay Gap reduced ▪ Increase in Staff survey response question: 'pay is fair/transparent'.	Global Director of HR / Head of Reward & Engagement	Q4 2021-Q1 2025
			the number of success measures may increase over the life time of the action plan			