We are pleased that we are publishing our data on gender equality on an annual basis. It helps to keep us focused on the very real challenge of redressing inequalities wherever they exist.

As this report makes clear, we have made progress, but the progress is frustratingly slow. The mean gender pay gap, mean bonus pay gap and median bonus pay gap have all reduced. The median gender pay gap, however, remains at 13.7%, an imbalance we are committed to addressing.

My colleagues and I are committed to endeavouring to meet the targets we have set for improving the representation of women at the University, including the aspiration that 30% of professors are women by 2020. In the five years since we revised out procedures for how Statutory Professors are appointed, women have represented over one-third of all new appointments to these roles. This year we intend to extend this policy to the recruitment of Associate Professors.

The University Strategic Plan 2018–2013, which won approval across the collegiate university, makes a specific commitment to embedding a supportive, inclusive culture and increasing the diversity of University staff at all levels. We are implementing an action plan agreed with Athena Swan which includes commitments to extending the University’s support for staff with caring responsibilities and promoting a full range of diversity in scholarship.

We expect that it will take several years before these strengthened policies will have an impact on the gender pay gap so that the progress is likely to be slower than many of us would like. The trajectory, nevertheless, is clear.

Louise Richardson
Vice-Chancellor
University of Oxford

KEY POINTS

- The median gender pay gap remains at 13.7% which is lower than the median pay gap for the whole economy as reported by the Office for National Statistics.
- The mean gender pay gap has decreased from 24.5% to 22.6%. However, this remains higher than the national average.
- The mean bonus pay gap has reduced from 79% to 64.1% and median bonus pay gap from 48.7% to 6.7%.
- A greater proportion of women are in receipt of bonus payments than men.
BACKGROUND

Promoting gender equality is a key strategic priority for the University of Oxford, demonstrated in both our Strategic Plan 2013-18 and our commitment to Athena SWAN\(^1\). The University of Oxford is committed to fostering an inclusive culture which promotes equality, values diversity and maintains a working, learning and social environment in which the rights and dignity of all its staff and students are respected\(^2\).

As an employer with more than 250 employees it is a legal requirement for the University to report its gender pay gap based on the snapshot date of 31 March 2018 and to publish the pay information by 30 March 2019.

This is the University’s second gender pay gap report and it is pleasing to see that there are no increases in the pay gaps reported and reductions in the mean and bonus pay gaps. The University is committed to continuing to take action that will address the gender pay gap.

METHODOLOGY

In accordance with the regulations and with reference to the Equality Act 2010, the University’s gender pay gap report includes data relating to persons who are engaged by the legal entity incorporated under the name ‘The Chancellors Masters and Scholars of the University of Oxford’ (‘the University’). This includes employees in University of Oxford departments, casual workers (including those undertaking casual teaching), those engaged through the University’s Temporary Staffing Service and those who work within Oxford University Press (‘the Press’).

The Press has provided its UK data to the University’s Personnel Committee in an anonymised format. The Press has not historically been included in reporting undertaken by the rest of the University. It operates completely separate remuneration arrangements and operates in a different employment market to the University.

University employees are employed on either clinical or non-clinical grades. The majority of non-clinical staff are employed on one of the eleven grades on the University’s main salary and grading structure. Senior staff are employed on grades relating to job type i.e. the Statutory Professor grade, senior research grade, or managerial and professional grade. For staff on clinical grades, grade and pay is determined by an individual’s stage in training and mirrors what the individual would receive in the NHS. Salaries for clinical academics with consultant contracts are determined by recognised seniority and experience within the NHS.

The data provided in this report is based on the snapshot date of 31 March 2018. The initial ‘pay period’ for employees is therefore the March payroll plus the previous 12 working weeks for those with irregular hours in addition to the previous 12 months of data relating to bonus pay. The data excludes those individuals on reduced pay, e.g. through sickness, maternity, paternity, or other unpaid leave.

The data was extracted as close as possible to 31 March 2018 in order to minimise the impact of subsequent changes to appointment records and a data assurance exercise has been undertaken.

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\(^1\) [https://www1.admin.ox.ac.uk/eop/gender/athenaswan/]

\(^2\) Visit [https://www1.admin.ox.ac.uk/eop/aboutus/] for more information on equality and diversity at the University.
FINDINGS
On the 31 March 2018 the University’s workforce for the purpose of gender pay gap reporting consisted of 17,566 individuals: 9,273 women and 8,293 men. The University’s gender pay gaps are as follows.\(^3\)

<table>
<thead>
<tr>
<th>Gender pay gaps in ordinary pay</th>
<th>Female earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean gender pay gap in ordinary hourly pay</td>
<td>22.6% lower</td>
</tr>
<tr>
<td>Median gender pay gap in ordinary hourly pay</td>
<td>13.7% lower</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Gender pay gaps in bonus pay</th>
<th>Female earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean gender pay gap in bonus pay</td>
<td>64.1% lower</td>
</tr>
<tr>
<td>Median gender pay gap in bonus pay</td>
<td>6.7% lower</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Proportion in receipt of bonus pay by legal sex</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
</tr>
<tr>
<td>Female</td>
</tr>
</tbody>
</table>

Definitions: Mean is the sum divided by the count. Median is the middle value.
**PAY**

The "mean" hourly rate is calculated by adding all of the hourly rates together and dividing by the number of individuals in the data set.

The median hourly rate is calculated by arranging the hourly rates of all individuals in the data set in numerical order to identify the middle (or median) hourly rate. 50% of individuals will earn more than this hourly rate and 50% will earn less.

The pay gaps are calculated as the difference in the mean and median hourly rates for men and women.

The figures show that the University has a mean gender pay gap of 22.6% and a median gender pay gap of 13.7%. The mean total pay gap is 1.9% smaller in 2018 than in 2017. The median gap remains unchanged.

The Office for National Statistics uses median rather than mean earnings to measure the national gender pay gap as median pay is not affected by outliers or extreme values in the way that the mean is. The median gender pay gap for the whole economy (according to the October 2018 ONS ASHE figures) is 17.9%. However, the University recognises the importance of looking at both the mean and median in understanding its pay gaps.

**PAY QUARTILES**

The gender pay gaps identified are mainly attributable to a lack of women in senior roles in the University. There is a greater proportion of men than women in the upper pay quartile and a greater proportion of women than men in the lower and lower middle pay quartiles. This is owing to an uneven distribution of men and women across grades, with women generally accounting for a higher percentage of the staff in grades at the lower end of the structure and men accounting for a higher percentage of staff in senior grades. A slightly greater proportion of women than men are employed in the upper middle pay quartile.

Looking at the distribution of University employees across its grading structures helps explain the difference in the mean and median gender pay gaps identified. The majority of University employees are employed on its main salary and grading structure (92%[^4]) and the median salaries for both men and women fall within this range. The median pay gap is less influenced by the value of salaries at senior level than the mean pay gap.

76%[^5] of staff on senior grades are men and 82% of those listed as earning over £100K in the University’s financial statements for 2016-2017 were men. 35% of those men are employed in clinical roles.

The University is already taking action to address its shortage of women in senior roles and is using the Athena SWAN gender advancement accreditation scheme to support the career development of women. The University continues to develop and pursue ambitious action plans in order to enable women better to develop their careers, and make greater contributions to all aspects of University life. The Athena SWAN initiative started in the Medical Sciences and Mathematical, Physical and Life Sciences Divisions, recognising the lack of representation of women in senior roles in science, technology, engineering, maths, and medicine and is now being used by all Divisions[^6].

The proportion of women in the upper and upper middle pay quartiles has increased between the 2017 and 2018 snapshot dates, and the proportion of women has decreased in the lower middle and lower quartiles. This is shown in the table below.

<table>
<thead>
<tr>
<th>% change of males and females in each pay quartile 2017 - 2018</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upper Quartile</td>
<td>-0.8</td>
<td>0.8</td>
</tr>
<tr>
<td>Upper Middle Quartile</td>
<td>-0.3</td>
<td>0.3</td>
</tr>
<tr>
<td>Lower Middle Quartile</td>
<td>0.2</td>
<td>-0.2</td>
</tr>
<tr>
<td>Lower Quartile</td>
<td>2.7</td>
<td>-2.7</td>
</tr>
</tbody>
</table>

[^4]: Data as at 31 July 2016 when the University completed its most recent equal pay audits
[^5]: Data as at 31 July 2016 when the University completed its most recent equal pay audits
[^6]: See https://www1.admin.ox.ac.uk/eop/gender/athenaswan/applications/ for the University and departmental Athena SWAN submissions.
**Bonus**

The University (other than the Press) does not operate incentive bonus schemes for staff. However, the definition of bonus pay for the purpose of gender pay gap reporting includes any remuneration that relates to amongst other things productivity, performance or incentive. The mean gender bonus gap for the University remains large at 64.1%. This is attributable to the grouping of various performance related payments into one category.

The bonus pay referred to above includes the following:

- Clinical Excellence Awards, which are decided and funded by the NHS;
- one-off payments (capped at 3% of base pay) made under the University’s Reward and Recognition Scheme; and
- the Press’s bonus scheme, which is operated by the Press under its own governance arrangements for remuneration.

The University operates a **Reward and Recognition Scheme** for all staff in its main salary and grading structure, covering 12,888 employees. Any one off (non-consolidated) payments made in the twelve months to 31 March 2018 under this scheme have been categorised as bonus pay for the purpose of gender pay gap reporting. Non-consolidated payments include £200 recognition awards and awards for excellence which have a value of circa 3% of base pay (ranging from £329 to £2,039).

**Clinical Excellence Awards** are only available to eligible staff on clinical grades with honorary contracts with the Oxford University NHS Trust. There are twelve levels of Clinical Excellence Award ranging from £3,016 to £77,320. Clinical Excellence Awards are intended to recognise and reward those consultants who contribute most towards the delivery of safe and high quality care to patients and to the continuous improvement of NHS services. This includes those consultants and senior academic GPs who do so through their contribution to academic medicine. 293 University staff are eligible for Clinical Excellence Awards: 75% are male and 25% are female. Decisions about who should receive Clinical Excellence Awards are not taken by the University.

The Press operates a number of different bonus plans in the UK and these are included in the reported figures. These include a bonus plan for senior level employees based on financial and non-financial metrics; sales bonus plans for some customer facing roles; a discretionary bonus plan for employees not included in one of the other plans and spot bonus awards to recognise outstanding employee contribution. Any decisions relating to the Press’s bonus scheme are taken by the Press.

Between the snapshot dates of 31 March 2017 and 2018 the mean bonus pay gap has reduced from 79% to 64% and the median pay gap from 48.7% to 6.7%. This is likely to be a result of the Press having a very different bonus pay profile between years in terms of the monetary amount paid out and the number of employees in receipt of bonus pay at the Press. The University bonus pay profile has changed little between years as shown in the table below.

<table>
<thead>
<tr>
<th>Proportion of University employees in receipt of bonus pay by legal sex</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>5.9%</td>
<td>6.4%</td>
</tr>
<tr>
<td>Female</td>
<td>6.5%</td>
<td>6.8%</td>
</tr>
</tbody>
</table>
GENDER PAY AND EQUAL PAY

The gender pay gap is a measure of the difference between the mean and median earnings of men and women across the University. Equal pay ensures we are paying the same level of pay to those who are performing the same work, or work assessed as being of equal value as determined by an analytical job evaluation scheme that looks at the skills and requirements of the job. It is possible therefore to have a gender pay gap without having any equal pay gaps.

The University of Oxford is committed to the principle of equal pay for work of equal value for all employees. The statutory code of practice on equal pay recommends that the most effective way of establishing whether pay policies and systems are discriminatory is to undertake an equal pay audit. The University has conducted equal pay audits both for its main salary and grading structure and for senior staff since 2009, and these are now conducted every three years. The most recent equal pay audits were conducted in 2016/17, with the next scheduled for 2019/20.

The audits are conducted in line with the Equality and Human Rights Commission guidelines and provide an analysis of basic pay and total pay by legal sex (and for the main salary and grading structure ethnicity, disability and contractual status). In accordance with the guidelines gaps of 5% or more are considered significant and have been used to identify actions to be undertaken.

The results of the 2016 equal pay audit of the main salary and grading structure indicated that in broad terms the University is achieving equal pay for work of equal value. Relatively few pay gaps were identified in the analysis of mean basic and total pay by legal sex and, where further investigation was carried out, an objective justification has been found.

Pay gaps in total pay were identified in the 2016 equal pay audit for senior staff. The pay gaps tend to arise from differences in the distribution of additional pay elements such as professorial distinction and NHS clinical excellence awards. There are well-defined and objective processes for the award of additional pay elements. In many cases, the additional pay elements reflect the external market, as well as recruitment and retention imperatives.

The largest pay gap identified was for senior managerial and professional staff. A number of different types of role fall within this group with salary differentials reflecting the different levels of job and market in which they are operating. The pay gap for this group has reduced since the previous audit and at the same time the number of women employed in this group has increased by 27 per cent and the number of men has decreased by 29 per cent.

The University is already taking actions as part of its equal pay reporting which should reduce the gender pay gap. For example:

1. conducting further analysis to scrutinise and better understand the pay gaps found at senior level in order to identify targeted actions for salary setting at senior grades, and particularly for senior managerial and professional staff; and

2. introducing revised procedures for the salary reviews of some groups of senior staff. For example the University has recently introduced a more structured process to award merit pay to all staff with professorial title; and

3. in line with the University’s continued commitment to ensure equal pay for work of equal value the audits also identified actions to further investigate differences in the value and distribution of some additional payments.
COMMITMENTS, ACTIONS AND PROGRESS

The University’s Equality Policy recognises that equality should be embedded in all University activities and seeks to promote awareness of equality and foster good practice.\(^7\)

In respect of staff the University is committed to ensuring that entry into employment and progression within employment are determined solely by criteria which are related to the duties of a particular post and the relevant salary scale, and to supporting career development and progression to ensure diverse representation and participation at all levels.

The University of Oxford is committed to taking action which will address the gender pay gap. In particular the University is already committed to increasing the proportion of women in academic, leadership and governance roles across the collegiate University with targets to achieve:

- a yearly increase in the proportion of female Professors, with 30% representation by 2020;
- a yearly increase in the proportion of female Statutory Professors, with 20% representation by 2020;
- a yearly increase in the proportion of female Associate Professors, with 35% representation by 2020;
- one third representation of women across University leadership roles including but not limited to heads of department and senior management teams.

These targets have been carefully considered in order to arrive at achievable and realistic targets when taking into account the number of women in the pipeline for these academic roles.

RECRUITMENT PROCEDURES

The University revised its procedures for Statutory Professor recruitment in 2013-14. Panels are required to undertake a proactive search process and request permission from the VC to proceed at each stage if no appointable women are being taken forward. Members of electoral boards are explicitly reminded at the start of each recruitment where bias can occur (e.g. in references). Since the introduction of the revised procedures, the proportion of women in statutory professor roles has increased from 11% to 17%, and women have represented over one-third of all new appointments.

In 2018-19 the University will seek to extend this success to Associate Professor recruitment.

FAMILY-FRIENDLY POLICIES

The University has a number of family-friendly policies and initiatives in place, which go beyond the statutory minimum, including family leave schemes, subsidised University nurseries, a Returning Carers’ Fund\(^8\) and flexible working.

The Returning Carers’ Fund was introduced in 2014 and, in the last four years, has made small grants to support 194 staff members who have taken a break for caring responsibilities to re-establish their research careers. Feedback from grant recipients has shown that the Fund has had a demonstrable impact on the careers of many staff returning from caring leave, both in tangible terms (e.g. securing fellowships, successful grant applications, publishing papers, invitations to present at conferences, increasing the visibility of research, and establishing new research collaborations) and in signalling that the University is serious about supporting the careers of those with caring responsibilities.

The University provides the benefit My Family Care for all employees, offering access to emergency back-up childcare and adultcare, a ‘speak to an expert’ phone line and a wide range of guides and webinars.

\(^7\) https://www1.admin.ox.ac.uk/eop/policy/equality-policy/
\(^8\) https://www1.admin.ox.ac.uk/eop/gender/carers-fund/
WOMEN’S LEADERSHIP

The Oxford Senior Women’s Mentoring Network encourages women to explore their leadership potential within academic life, or within an administrative career. Since 2011 it has matched 184 women with senior mentors, many of whom have subsequently taken on departmental, divisional or University leadership roles.

In 2018-19 the University intends to develop a process to identify a pool of potential candidates from diverse backgrounds to be put forward for committee positions as they become vacant.

ATHENA SWAN

The University has an institutional Athena SWAN Bronze Award which was renewed in April 2017. In addition, 32 departments hold awards, 19 at Silver and 13 at Bronze; each has an accompanying action plan. The institutional renewal process reiterated the University’s commitment to gender equality and involved widespread consultation to agree an action plan for the period 2017–21. Many of the actions will contribute directly to closing the gender pay gap, particularly those intended to:

- Continue to strengthen recruitment processes;
- Increase the proportion of women in Associate Professor and senior research roles;
- Ensure appropriate career development for all;
- Achieve strong representation and voice of women in decision-making at all levels;
- Ensure equal pay for equal work;
- Extend the University’s support for staff with caring responsibilities;
- Promote and celebrate a full range of diversity in scholarship.

The University has implemented policies relating to its most senior pay to ensure fair, transparent, appropriate and justifiable levels of remuneration in line with the Committee of University Chairs Remuneration Code.

These actions, in addition to those on equal pay, are on-going and it may be several years before some have any impact on the gender pay gap. In the meantime the University is committed to reporting on an annual basis on the progress it is making.

March 2019