

# Equal Pay and Equality Reviews:

Issues and solutions

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## INTRODUCTION

The causes of inequalities at work are many, deep seated and complex. The main value of carrying out equal pay and equality reviews is that they indicate where the most significant inequalities lie and highlight where action could be taken to redress them.

Valuable research, such as that of Grimshaw and Rubery (2007) and Longhi and Platt (2008), has identified the nature of inequalities and quantified the penalty of being a member of one or more of these recognised groups. There is no doubt now that some people are dealt with unfairly when compared to others, simply because of these factors.

The complexity and depth of the causes of the inequalities should not be underestimated. For example, the fact that the pay gap between men and women remains, and in some cases has grown larger, illustrates the difficulty of addressing and eradicating the causes. Grimshaw and Rubery (op cit) identified the main reasons for the continuing inequalities caused by gender, which include:

- Women “being paid less than men for the same efficiency within the same job and they will be employed in jobs or occupations which are themselves undervalued”.
- Assumptions, stereotypes and labels
- Dangers of job titles and matching
- Deeply engrained societal factors

Sadly, research has not identified the reasons for pay discrimination experienced by members of other groups as clearly as it has for gender. There is, however, substantial evidence to show that their experiences of employment are less positive and they face difficulties not seen by members of advantaged groups. Action is taken to address gender inequality and to introduce fair, transparent decision making processes based on explicit and bias-free criteria can go a long way towards remedying inequalities and provide benefits for all members of the workforce.

The value of carrying out equal pay and equality reviews comes from their ability to look at the realities in an individual organisation and provide insight into the factors that lead to any significant inequalities revealed by the review. The diagnostic approach and increased insight will also contribute to the creation of action plans aimed at reducing the inequalities.

The initial legislation, to address discrimination caused by gender and race, was enacted in the mid 1970's but the Equal Pay Act predates this, having been passed in 1970. Public authorities, including universities and colleges, have legally required duties to address and eradicate the causes of inequality. These currently relate to disability, race and gender. European legislation and case law has added to the legislation and public interest in this matter has waxed and waned over the years.

Recently, the publication of the Equalities Bill has gained media and public attention, not always supportive, and the high profile equal pay cases, some of which have resulted from the actions of public sector employers to introduce new and fairer pay arrangements, means there is considerable interest. It is not yet clear whether the Bill will be enacted and if so what amendments will be made during the course of its passage through Parliament.

Whether the requirement to conduct equal pay reviews will survive is yet to be seen but there are strong arguments for their use, whether required by law or not, by any organisation wishing to provide equity of treatment and transparency to its processes.

## CONTEXT

### Legal context

Currently, the UK legislative framework relating to equal pay relates to the effects of gender discrimination. The basis lies in the Equal Pay Act 1970, as amended by case law and EU legislation. The Act requires equal pay between men and women where they are employed on equal work and applies equally to men and women but does not give anyone the right to claim equal pay with another person of the same sex. It also specifies that equal work is:

- Like work  
i.e. work that is the same or broadly similar and any differences are not of practical importance (e.g. Chef and Cook)
- Work that has been rated as equivalent under a job evaluation study or scheme in terms of the demands (e.g. effort, skill, decision etc).  
The scheme must satisfy the test of being thorough in analysis and impartial in application and accepted by the parties.
- Work of equal value  
An employer can not be compelled to use a job evaluation scheme but to decide an equal pay claim a job evaluation study has to be carried out. This study, usually ordered by an Employment Tribunal, must meet criteria which show it does not discriminate.

Pay includes pay and all its components of the terms and conditions of employment (e.g. base pay, allowances, overtime, bonuses etc) and other pay related aspects of the compensation package such as holiday, sick pay, pensions and benefits including cars, nursery places and membership of facilities.

Each term and condition must be compared like for like.

A comparator is the person to whom the complainant is comparing themselves. A comparator should be an actual person of the opposite sex who is being (allegedly) being treated more favourable and is shown to be employed on 'like work', 'work rated as equivalent' or 'work of equal value'. This comparator could be a predecessor or successor in the job but must be in the 'same employment' as the complainant.

### **Bromley –v- Quick Judgement**

This case looked at the practical meaning of an analytical approach. The judgement interpreted this to require that the important demands of the jobs within the organisation should be identified for use as headings for analysis. Each job should be examined against these headings and comparisons, to enable one job to be assimilated into the same grade or pay range as another against another, should be made on a heading by heading basis.

### **Gender equality duty**

The duty applies to public bodies with more than 150 employees. These organisations [within the scope of the duty should] consider objectives that will address the causes of any gender pay gap. This should be done in consultation with employees and others, including trade unions. .... The gender impact assessment should gather information that shows if there is a gender pay gap and if so identifies the causes."

Organisations are also expected to investigate if their policies contribute to the gender pay gap in the British workforce as a whole, or whether they could be amended to help close that pay gap.

The main factors, according to research, which contribute to the pay gap, are:

- Discrimination, including pay discrimination (often inadvertent, but still unlawful);
- The impact of women's disproportionate share of caring responsibilities (which often results in women undertaking part-time work which is often poorly paid and often restricts career continuity and progression);
- The concentration of women in particular occupations usually characterised by lower levels of pay than found in those occupations numerically dominated by men.

### **Equalities Bill**

At the time of writing, the Bill is going through the Parliamentary system. Its intention is to draw together previous legislation and provide a unified approach to addressing inequalities caused by a number of different factors. Its coverage is likely therefore to broaden the narrow, gender focus of the Equal Pay Act. However, until the all the amendments to the Bill have been made, it is unwise to speculate about the contents of the resultant Act. The Equalities and Human Rights Commission web site contains information about its latest position.

### **JNCHES agreement**

The Joint Negotiating Committee for Higher Education Staff issued guidance on equal pay reviews in March 2002. The National Framework Agreement for the Modernisation of HE Pay Structures, implemented in the following years had the prime aim of supporting the achievement of equal pay for work of equal value. JNCHES reviewed its guidance in 2007 and reminds employers of its strong recommendation that they undertake an equal pay review within twelve months of the introduction of their new pay and grading structures and periodically thereafter.

The guidance also notes that as the legislation has been extended to cover equality strands in addition to gender, race and disability employers should aim to include these but taking account of the practical constraints. Further work is likely to be done by JNCHES on a range of equality issues; details of which can be found on the UCEA web site.

The recommendation also strongly endorses that employers take a partnership approach and work closely with their locally recognised trade unions. ECC also recommends this approach.

The JNCHES's guidance identifies three stages in a review process. These are analysis, diagnosis and action. Each of these stages throws up a number of matters that need to be addressed. These headings will be used below as a means of considering the practical implications of these.

## CONDUCTING THE REVIEW

### Planning

Forming a project plan will ensure each of the three stages is adequately resourced and completed before work on the next stage is started. It will also help to clarify responsibilities, timescales and the extent of the review at the outset. This clarity will avoid misunderstandings and the waste of resources by focusing on the main issues rather than those which are interesting but of second order importance.

The first step in planning the review should result in a specification setting out the scope of the review. It is important to be realistic about what is possible, particularly if it is the first time such a review has been conducted as it is easy to be ambitious and try to be comprehensive in coverage. However, what can be analysed will totally depend on what data is available. If the organisation has not collected the data, it can not be analysed. This will be particularly true for some of the newly introduced equality strands. Time and the availability of resources and expertise may also be constraints. It is far better to start with a limited project, for example an analysis of the gender pay gap, then learn from the experience and expand to other areas in subsequent reviews.

When preparing the project plan should consideration should include:

- What the organisation wants to achieve from the review
- What resources are available to carry out the analysis – including whether the project is to be completed in-house or with the assistance of external consultants
- The analytical tools available including the HR and payroll system(s) and a review of their potential limitations
- Any groups of staff to be excluded and the reasons for doing so
- Whether to benchmark against other organisations, if so with whom and why
- Relationship with policy impact assessments (see HEFCE's guidance on conducting Equality Impact Assessments)
- Data protection issues
- Timescales for the completion of the review
- Who to include in managing the review project

The second step is to examine the organisation's existing policies on pay, equality and diversity and answer the following questions:

- Do these policies exist?
- Who is responsible for their implementation?
- Have they been communicated to all members of the workforce?
- Have they been put into operation?
- Are their use and effects being monitored?

The answers should indicate if any ancillary work needs to be carried out to address any policy gaps and compliment the review.

## Who to involve

If the organisation as a whole is to take collective responsibility for the review and the resulting action plan, it is important that the project is not seen as being the responsibility of the HR Director or the Equalities and Diversity Officer alone.

The establishment of a steering group or project management group is often seen as the best way of managing a project of this nature, rather than assign all of the responsibility to a project manager. If the former is the organisation's preferred approach, the following should be clarified at the outset:

- Membership which should ideally include senior managers and trade unions or staff representatives, if no trade union exists
- Purpose of the group and its terms of reference
- Role of the group, for example to steer the project, remove blocks, provide support, appraise progress, act as a critical friend to the members of the project team
- Evaluation criteria and process
- Frequency of subsequent reviews
- Who is going to do the work and be part of the project team? Options include all of some of the following:
  - HR staff
  - Equalities and Diversity staff
  - Pay roll staff
  - Academics
  - Consultants
- Who is going to follow up on the work identified through the review?

## Collecting the Data

### WHO TO INCLUDE

All employees, from the lowest to the highest paid, should be included but it is not uncommon to find complex employment relationships in universities and colleges. An easy rule of thumb to use when deciding whether individuals employed in joint appointments, wholly funded posts or similar arrangements should be included, is to identify who holds their contract of employment.

Where an employee occupies several roles, the information relating to that individual should be analysed according to each role held. Their overall position should be examined as well to see if there are any discriminatory factors either adversely affecting or advantaging their pay at work.

### ROLE DATA

The role analysis exercise, used to design new pay and grading structures will have identified the roles found within the organisation.

The use of HERA or FEDRA gets behind historic assumptions about role content by accurately identifying what the holder is required to do by using relevant and bias-free headings to define the role's actual responsibilities and identify the levels of demand placed upon the occupant.

The analysis exercise will also provide the means of clarifying the differences between generic roles, those which are department specific and singletons. Care is needed, however, with the

use of broad generic roles as they can conceal actual differences between groups and individuals.

Matching individuals to generic role profiles, rather than finding out what the role holders are actually doing also runs the risk of contravening the Bromley v Quick judgements. Heading by heading comparison using up to date evidence of role requirements will eliminate this risk.

The analysis will create a role score which will place the roles in order of comparative importance. This rank order is then usually broken into ranges which can then be linked to pay grades. Those roles clustered near the top of the points ranges and those at the bottom should be carefully examined to explore whether the position of the points band breaks could disadvantage or favour one group when compared to another.

Understanding the composition of roles can also be revealing and provide insight into the make up of the organisation. For example, it could show how historic career paths and the way in which duties were allocated in the past might have favoured members of one group and as a result given them pay advantages over members of another.

The analysis process should also have provided each role with a unique identifier and given it a title that accurately encapsulates its purpose.

Role titles are the convenient shortcuts that help other people to understand what the role occupant does. However, many historic titles are really grade names rather than summaries of the role's purpose and can be gender-laden.

Individual employees will have been assigned to a role and normally the employee will also have a unique code. The use of such employee reference numbers can serve to conceal the identity of individuals.

### **EQUALITY STRANDS**

Each of the equality groups listed below should ideally be used as a variable for analysis, if the organisation is conducting an equity rather than an equal pay review:

- Gender
- Age
- Race or BME (Black and Minority Ethnic)
- Sexuality or sexual orientation
- Religion and belief
- Disability

Information about gender, disability, race, age and length of service (in role and in total) should be easily accessible as should details of the contractual status and role held by each employee. It may, therefore, be more practical to start the review using these variables.

Recently the Equality Challenge Unit (ECU) and HEIDI have agreed fields to facilitate reporting staff data, as required by the Higher Education Statistics Agency, against the various equality strands. The HEIDI database will include these fields and its use will make a considerable contribution to gaining insight into the make up of a particular organisation's workforce and support benchmarking across organisations.

ECU has also provided guidance on ways of encouraging staff to disclose personal data to support equality reviews as the lack of data can be a major inhibitor. Details of this publication can be found on the ECU web site – [www.ecu.ac.uk](http://www.ecu.ac.uk).

Other organisations, particularly the Equalities and Human Rights Commission, provide advice on the categories that can be used for reporting.

### **PAY AND PAY RELATED DATA**

“Pay” refers to all financial rewards and includes:

- Base pay annual, weekly or hourly (but it is vital that the units are comparable)
- Shift payments and other similar allowances (both contractual and non-contractual)
- Contribution-related pay, bonuses and the like
- Supplements, such as those used as recruitment and retention premia
- Protection arrangements

Some work may be necessary to convert part-time staff’s pay rates so they are expressed in the same way as full-time employees. This could be either as full time equivalent pay or as hourly pay. Additional attention may be needed to ensure allowances are also in comparable units. There may be a need to agree nominal hours of work for some groups, for example senior staff or academics. Similarly, where there is a variation in the normal full time hours, these too should be converted to a comparable figure.

Obtaining up-to-date and accurate information about all components of pay may present some difficulties to universities and colleges, particularly in those where pay data is kept different formats by different parts of the organisation with different levels of detail, and dubious levels of accuracy and currency.

Pay related benefits should also be considered part of pay. These may include:

- Pensions
- Holidays
- Sick pay
- Medical insurance
- Company cars and car parking
- Other benefits such as membership of sports or child care facilities

Contractual terms may also affect the value of “pay”. Different patterns of work may explain the differences in the value of the benefits awarded to individuals and the representation of members of the various groups within the organisation. The variables for analysis could include:

- Type of contract
  - Permanent
  - Temporary
  - Fixed Term appointments
  - Externally funded employment
- Hours of work
  - Full time
  - Part time
  - Term time only
  - Shift working
  - Working week arrangements

Other variables may have an impact so their inclusion in the analysis may assist the identification of reasons for any differences in pay.

- Length of service, both in current post and grade, and with organisation
- The structural location of the role (i.e. faculty, school, division, department)
- Occupational group.

(HESA codes may be useful as they are based on the Standard Occupational Classification (SOC) scheme, developed by the Office of National Statistics. The SOC scheme is reviewed every ten years, describes roles as they are typically found in the wider economy and is used for national statistics such as the Annual Survey of Hours and Earnings. The use of the codes can thus support benchmarking as well as classify the organisation's roles into commonly accepted groupings.)

- The physical location of roles.

### Other sources of data

Other information may be useful to provide insight into the employment gap and the causes of inequality which may help to explain the distribution of members of the various equality strands across the organisation's hierarchy. However, gathering the necessary data may prove complex, so it may be more practical to aim to include them in subsequent reviews.

Examples of other variables that may affect the distribution can include:

- Applications for promotion and regrading, and the success rates of members of the different groups
- Take up of training and development opportunities
- Recruitment and selection monitoring
  - Applications
  - Shortlisted
  - Interviewed
  - Appointed
  - Starting salary and point in grade
- Qualifications. The use of the data gathered for HESA may be helpful.
- Proportion of staff having appraisals
- Staff survey results (e.g. attitudes to part time working, work allocation models, access to training, view of promotional processes, take up of career development opportunities)
- Stress and well being survey results
- Disciplinary and grievance cases

Gaining access to the necessary data and ensuring that it is accurate and up to date can be a task in its own right. Provision for this work, including data cleansing and checking, should be included in the project plan.

### Analysis

Once robust data from valid and relevant sources of information has been collected, its analysis will indicate the existence of any pay and employment gaps.

There is no legal or definitive definition to indicate whether a pay gap is significant or not. However, it is generally accepted that a pay gap of 5% or more is significant enough to warrant further investigation wherever it occurs. However, a pay gap as low of around 3% may signify a pattern of differences which favour one group. For example if women earn less than men by an average of 3% at each grade then it would merit further investigation.

It is also important to look at the distribution of men, women and members of each equality strand across the organisation's hierarchy as a whole. This will reveal whether there may be any factors preventing members of certain groups being fairly represented at all levels and sections of the organisation and allow further investigation.

The pay gap is calculated by subtracting the average pay for women in a pay grade from that of the men and then working out the percentage difference. For example

If male staff, on average, earn £12.50 per hour and female staff on average earn £10.00 per hour, this means female staff earn 20% less than male staff (£2.50/£12.50) and that male staff earn 25% more than female staff (£2.50/£10.00).

These calculations should be applied to each component of pay to indicate:

- The proportion of men and women who receive the element (differential access)
- The average amount received, by gender, for each pay-related benefit (differential payment)

### **AVERAGES**

Two forms of average are commonly used to indicate average pay: the mean and the median. It should be made clear which one is being used and their use should be consistent.

The mean is the commonest form of average and is calculated for example by summing individual salaries and dividing by the number of employees. The mean is easily understood but it can be unduly influenced by extreme outliers such as a relatively small number of high earners.

Some suggested uses of the mean include:

- Mean salary by gender on entry to a grade or role
- Mean salary by gender on promotion to a grade or role
- Mean salary by gender on assimilation to a grade or role
- Mean amount of contribution pay by gender and grade or role

The median is the mid point and splits the data into two equal parts: half the cases have values smaller than the median and half larger so it is not influenced by outliers. The median is favoured by the Office of National Statistics because it is not unduly influenced by small numbers of highest earning men at top of income distribution.

The median is often used with percentiles and represents the 50th percentile. Most statistics packages (including Excel) have an automatic function which calculates the median, quartiles (25<sup>th</sup> and 75<sup>th</sup> percentile). These illustrate the nature of the distribution of items around the median.

The median can be used in conjunction with the mean to provide a greater degree of understanding of the data but it should always be made clear which figure represents which form of average.

### RAW NUMBERS OR PERCENTAGES

Raw numbers give the context but small numbers can make the identification of individuals possible. Percentages allow comparison but can hide or magnify the scale of the problem, so the use of both may be merited.

The possible uses include:

- Number and percentage distribution of employees by gender and grade
- Number and percentage distribution of salary bands by gender and grade
- Number and percentage distribution of contribution points by grade and gender
- Number and percentage of employees affected by pay protection by gender and grade
- Number and percentage of employees receiving certain benefits or allowances by grade and gender

### NATURE OF THE ANALYSIS

The purpose of the review and the desired outputs should influence the nature of the analysis. The way in which the analysis is carried out will also depend on the resources available and the use the organisation wishes to make of the review. The depth and complexity should be considered during the planning phase to ensure adequate access to the required resources, including the time needed to carry out the analysis, are provided.

The availability of specialist software, (access to packages such as SSPS and the statistical and software skills necessary to carry out and interpret the results of complex analysis will also dictate how complex the analysis can be.

If the skills are not readily available, the choice lies between using a simpler approach (for example using Excel rather than SSPS) or making use of consultants who have access to more specialist software. ECC has arranged preferential rates for its members with three consultants who are able to provide specialist support. Their contact details are given below.

The Towers Perrin software supports the collation of data relating to both roles and employees and the report builder will assist the analysis. It is easy to import and export data into Excel and other packages and its use brings the added advantage of allowing consideration of roles' shape and size to be included in the equal pay analysis.

When designing the analysis, it may be useful to remember the KISS (keep it simple, stupid) principle and that "over-analysis can lead to paralysis". Too much detail can obscure the real message. Therefore, the audience and use of the findings should be kept in mind and used to determine the type of report and its format. The aim should be to aid understanding of the issues and encourage people to sign up to the contents of the action plan.

### Diagnosis

The analysis will have revealed the differences in pay and employment practices between men and women, according to the variables chosen. The next stage is to diagnose the causes to enable what actions can be taken to address them and remove the inequalities, if they can not be justified.

A gap in pay may be valid providing it can be objectively justified and the reasons for its existence are caused by genuine material factors. These may include shift payments or payment of supplements to address recruitment and retention matters (labour market

supplements or premia). Use of the latter in particular should be supported by up to date and reliable evidence to justify both the need and size of payment.

### **VARIOUS CAUSES FOR INEQUALITIES IN PAY**

If pay inequality was easy to rectify the differences between men and women's pay would have been removed a long time ago. Many of the reasons why the pay gap continues to exist long after the enactment of the Equal Pay Act are profound and complex. There are some causes that can and should be addressed by employers wishing to make a difference in their employment practices. These include structural and pay practice matters.

#### **Structural problems**

Pay structure design should be gender neutral and not favour members of one group over another. However the design of pay and grading systems can in practice lead to inequalities. For example:

- The position of grade boundaries can result in roles more often occupied by men being clustered just above a grade boundary while roles more often occupied by women falling below the boundary
- The use of different role analysis or job evaluation schemes for different grades could mean that roles more often occupied by men when sized by one scheme would grade them more highly than they would be if sized by the other scheme which would place them along side roles more frequently occupied by women
- The use of grades containing a number of service-related pay points could lead to age bias and disadvantage those taking career breaks, most frequently women

#### **Pay practices**

The way in which the pay structure is put into operation can also be biased. All staff involved in role analysis and the design and operation of pay and grading practices should be trained so they can use the systems properly and understand the equality issues, particularly those relating to the causes of pay gaps.

Other pay practices in need of attention to ensure they do not favour or disadvantage one group when compared to another include:

- Contractual arrangements (e.g. the treatment of staff on part-time or fixed-term contracts)
- Appointment processes (e.g. the use of biased selection criteria, the use of different starting salaries for men and women, the use of market premia to inflate pay without evidenced need, offering unjustified payments such as relocation allowances)
- Progression arrangements within grade and promotion systems
- Access to career development opportunities
- Contribution-related pay and annual review schemes
- Pay protection arrangements (red-circling and safeguarded provision)
- Payment of allowances
- Inequitable application of pay-related benefits (e.g. pensions, sick pay and leave).
- Allowing local manager discretion over any element in pay package without consistency checks and safeguards to ensure equality of treatment.

### Action

Once the existence of discriminatory pay gaps has been exposed, public sector organisations are legally required to create an action plan to address and remove the causes of inequality by gender, race or disability. This requirement could be extended as a result of the Equalities Bill currently before Parliament. The action plan may allow for further work to ensure the reasons are fully understood. This could be a wise decision for failure to achieve insight into the real causes can result in the introduction of quick fixes that may paper over the problems and do nothing to deal with the underlying issues.

Typically an action plan will also include:

- The introduction or amendment of an equal pay policy
- Steps to remove causes of unjustified pay gaps as identified in the diagnosis. These should be expressed in terms of:
  - actions to be taken
  - the identification of who is responsible for ensuring each action is carried out
  - the identification of the person responsible for taking the action
  - the resources required
  - timescales
  - outcomes to be achieved as a result of the action being taken
- How the implementation of the plan will be monitored
- How the success of the plan will be evaluated and when.

The development of the action plan should involve key players to ensure it is both comprehensive and acceptable to members of disadvantaged groups as well as major stakeholders, such as senior managers, trade unions and staff representatives where trade unions are not recognised. Involvement of members of the governing body may also be appropriate to ensure total ownership by the entire organisation and the commitment of resources necessary to ensure successful delivery of the plan.

## CHECKLIST

### Create a project plan

- Aims of review
- Groups of employees to be excluded and reasons for exclusion
- Benchmarking
- Relationship with equality impact assessment
- Data protection issues
- Timescale for review and resources required – including possible use of consultants

### Check extent of policy implementation

- Do the relevant policies exist and who is responsible
- Extent of communication
- Degree of implementation
- Level of use and monitoring

## Conducting the review

### COLLECTING THE DATA

#### Role data availability and use:

Data required	Comments
For like work: Role title	Bear in mind that role titles are not necessarily reliable indicators of role content  If using role titles be sure that they are not too generic and heading by heading comparison is used to assign roles to the grade
For work rated as equivalent: Role score and size results from role analysis Grade or pay band	

**Equality strands to be analysed:**

<b>Data required</b>	<b>Comments</b>
Gender	Public bodies have legal requirement to address this
Age	
Race or BME (Black or Minority Ethnic)	Public bodies have legal requirement to address this
Sexuality or sexual orientation	
Religion and Belief	
Disability	

**Pay and pay related data**

Comparing pay information to identify significant gaps requires:

1. Calculating average basic pay and total average earnings
2. Comparing access to and amounts received for each element of pay

<b>Data required</b>	<b>Comments</b>
Base Pay	Base pay is the pay received by an employee for doing the role before any additional pay elements are added on
Standard or normal hours of work	The hours for which base pay is set Part time employees separately should be identified separately
Total earnings	Total earnings = Base pay +any additional pay arising from any other pay element. Because total earnings include variable pay elements they should be calculated over an appropriate time period such as the last year.
Additional hours worked	Hours additional to standard or normal hours, but worked in the same time period as that used to calculate total earnings should be used to calculate total hourly earnings.

## Equal pay and equality reviews: issues and solutions

<p>Starting salary:</p> <ul style="list-style-type: none"> <li>○ On joining organisation</li> <li>○ On promotion or assimilation into current grade or role</li> </ul>	
<p>Working pattern payments pay if applicable such as</p> <ul style="list-style-type: none"> <li>○ Shift payments</li> <li>○ Pay for unsocial hours</li> <li>○ Being on call, standby or similar</li> <li>○ Overtime or other working pattern payments</li> </ul>	<p>Include contractual and non contractual</p> <p>You will need data on working pattern payments paid over an appropriate recent time period</p>
<p>Contribution related pay if applicable</p> <ul style="list-style-type: none"> <li>○ Ratings</li> <li>○ Payments</li> </ul>	<p>Data on ratings and payments given as a result of assessments of competency, experience or skills over an appropriate recent time period should be maintained</p>
<p>Labour market supplements if used such as:</p> <ul style="list-style-type: none"> <li>○ Recruitment premia</li> <li>○ Retention premia</li> </ul>	
<p>Pay related benefits such as</p> <ul style="list-style-type: none"> <li>○ Pensions</li> <li>○ Holidays</li> <li>○ Sick Pay</li> <li>○ Medical Insurance</li> <li>○ Company cars and car parking</li> <li>○ Others if used e.g. child care</li> </ul>	

**Contractual terms and other variables:**

These may assist in identifying reasons for differences in pay

Data required	Comments
Type of contract	For example permanent, temporary, fixed term,
Length of service in role and grade Length of service with organisation	
Physical location dicator	The inclusion of this will depend if you think this data could be relevant
Structural location indicator	This will depend on whether you think could be relevant and how you propose to analyse data eg by faculty, school, division department
Occupational Group	HESA codes may be useful as they are based on the Standard Occupational Classification scheme, developed by the Office of National Statistics.

**ANALYSING THE DATA**

- Analytical process to be used
- Identify the pay gap

**DIAGNOSIS**

- Causes of pay gap
- Identification of other influences

**ACTION**

- Formation of plan
- Responsibility
- Implementation
- Evaluation
- Lessons learnt
- Plans for next review

## SOURCES OF HELP

### Expertise

ECC's consultants have considerable expertise in how equality matters can impact on role design, career progression and pay arrangements and would be pleased to support members when conducting equal pay reviews.

A publication describing how HERA and FEDRA can be used to support the enactment of the Gender Equality Duty can be found on our web site - [www.ecc.ac.uk](http://www.ecc.ac.uk).

To strengthen and extend its support to members, special arrangements have been negotiated with three providers of equal pay services: Capita, Beamans and TMS. Details of their services can be found on our website – [www.ecc.ac.uk](http://www.ecc.ac.uk). It is possible to extend access to these services for non-members of the consortium. Details can be obtained by contacting us at [contactus@ecc.ac.uk](mailto:contactus@ecc.ac.uk).

### Other sources of help

Equality Challenge Unit

The ECU is running a number of projects on gender equality and equal pay. Details can be found on its web site at <http://www.ecu.ac.uk/our-projects/?browse=subject&filter=gender>

Equalities and Human Rights Commission

The EHRC has published an equal pay tool kit. Details of this can be downloaded from its web site - <http://www.equalityhumanrights.com/advice-and-guidance/information-for-employers/equal-pay-resources-and-audit-toolkit/>. It also provides advice on the public sector equalities duties.

HEFCE

"Conducting impact assessments for equal opportunities in higher education", published in 2004 provides practical guidance and offers a step-by-step guide and a tool to help HEIs carry out impact assessments and promote and celebrate equality and diversity in their institution. This can be found at [http://www.hefce.ac.uk/pubs/hefce/2004/04\\_37/](http://www.hefce.ac.uk/pubs/hefce/2004/04_37/)

JNCHES

As part of the 2009 pay negotiations, UCEA, has also offered, on behalf of the employers, to work with the trade unions to take forward a range of equalities issues. Details can be found on UCEA's web site – [www.ucea.ac.uk](http://www.ucea.ac.uk).

## References

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Metcalfe, H (2009) Pay gaps across the equality strands: a review. Research report 14. EHRC

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