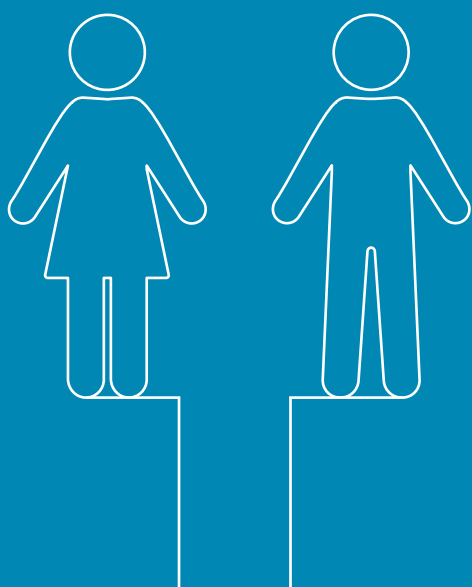


THE UNIVERSITY OF LAW GENDER PAY GAP REPORT 2018

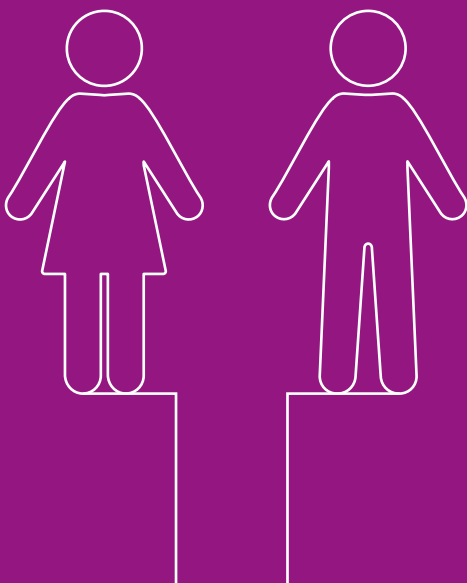


OVERVIEW

Mandatory gender pay gap reporting.

Since April 2017, any organisation that has 250 or more employees has been required to publish and report specific figures about their gender pay gap. The gender pay gap is the difference between the average earnings of men and women, expressed relative to men's earnings. We are required to publish our gender pay gap data and a written statement on our public-facing website at:

Gender Pay Gap Service



INTRODUCTION

“ UNDERPINNING EVERYTHING WE DO IS OUR COMMITMENT TO ACHIEVE EQUALITY AND DIVERSITY AMONGST OUR PEOPLE

The University of Law is one of the UK's longest-established specialist providers of legal education. We are committed to addressing work place barriers to equality in the form of career equity for men and women by developing and maintaining a working environment that encourages and rewards career progression equally, regardless of gender.

We believe that the policies and procedures we have in place represent good practice and adequately cover what we believe to be major influencers on gender pay e.g. opportunities for career progression and development; diversity; recruitment; reward and working practices. However, like any responsible organisation, we will continue to review and monitor the effectiveness of these, so that they continue to develop and evolve to meet existing and future employee, client and business needs.

There is a strong commitment from the organisation's senior leadership team to reduce our gender pay gap, as they recognise the importance from both a moral and business perspective of not only career equity between men and women, but fairness on how they are rewarded.

We operate in a competitive business environment and in order to deliver services successfully to our diverse client and partner group, we need to ensure that we mirror their high expectations and those of our staff in achieving equality. While we will not compromise on appointing the best person for a role, we will continue to look for opportunities to encourage, develop and grow our staff (e.g. through our Apprenticeship Scheme), with the aspiration of achieving and maintaining equality in pay and career progression opportunities.



GENDER PAY GAP

- THE HEADLINE DATA ON PAY AND BONUS DIFFERENTIALS

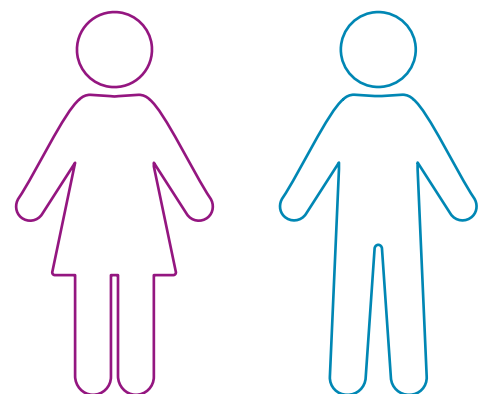
The University of Law on 5 April 2018	The gender pay gap. Women's earnings relative to men's earnings* (see note)	Page
Our mean gender pay gap	7.6% lower (5% lower)	5
Our median gender pay gap	5.3% higher (2.5% higher)	7
Our mean gender bonus gap	22.2% lower (378.6% higher)	8
Our median gender bonus gap	28.6% lower (170% higher)	8
The proportion of male employees receiving a bonus	7.3% (2.4%)	
The proportion of female employees receiving a bonus	2.8% (0.6%)	

*NB - For comparative purposes our 2017 figures are provided in brackets

THE PROPORTION OF MALES/FEMALES IN EACH QUARTILE PAY BAND

	Female	Male
Top Quartile	62.1% (63.9%)	37.9% (36.1%)
Upper Middle Quartile	77.5% (75.7%)	22.5% (24.3%)
Lower Middle Quartile	67.1% (64.5%)	32.9% (35.5%)
Lower Quartile	68.2% (71.4%)	31.8% (28.6%)

*NB - For percentage figures for females and males in each quartile in 2017 are shown in brackets



OUR DATA: THE 'MEAN' GAP

We have a mean pay gap of 7.6%* (see note below on how this compares to the wider economy), indicating that on average men are paid 7.6% more than women within the organisation. Whilst the ONS and sector averages are generally significantly higher than this, we are constantly looking to address any influences on gender pay differentials, specifically to identify any internal structural, cultural or policy decisions that we are able to adjust with the aim of removing barriers or enhancing opportunities for advancement.

In analysing the four quartiles individually, it clear that the widest 'mean' gap remains in the top quartile. However, the differential has reduced significantly from 2017, when the 'mean' gap for the top quartile was running at 11.6%, to 10.2% (i.e. by -1.4%). The scale of the gap in the top quartile can be directly attributed to a small number of male staff (who have subsequently left the organisation), who had a disproportionate impact on the gap. If they were excluded from the analysis, the gap in the top quartile would almost completely be eroded and would put the 'mean' quartile gap comfortably within the + or - 3% tolerance that we have set for each quartile. Moreover, the 'mean' gap overall would reduce by more than half.

However, from time to time and in order to meet specific business requirements, we need to access specialist knowledge or experience from outside the organisation. This tends to be from a very small pool of applicants and, therefore, subject to market forces such as remuneration.

In April 2018, our Executive Board comprised 4 female and 5 male employees, with a pay gap of 5.13% in favour of women (a reduction from 2017, when the gap was 10.5% in favour of women). With such a small group, even one change in gender can have a disproportionate impact, meaning that the gap will always be open to variation and fluctuation.

In our:

- Lower quartile, our 'mean' pay gap, which was 4% in favour of women in 2017, has reduced to 0.11% in favour of women in 2018.
- Lower middle quartile, the 'mean' gap has reversed since 2017, when it was 1.36% in favour of women and has now changed to 0.78% in favour of men.
- Upper middle quartile, the 'mean' gap has increased slightly from 1.88% in 2017 to 2.40% in 2018.
- Top quartile the 'mean' gap has reduced substantially, with a reduction to 10.19%, compared with 11.6% in 2017.

Although all of the 'mean' gaps within the quartiles are within our aspirational target of no more than +/- 3% of zero (excluding the top quartile), we will investigate why there has been a slight upward change in the 'mean' gap in favour men, for the Lower and Upper Middle quartiles.

We will also look at the factors that have enabled the organisation to reduce the 'mean' gap in the upper quartile since 2017, in order to maintain progress with reducing that gap further in the future.

In our last report, we cited that we had made a commitment to the development of apprenticeships opportunities for roles across our business, with a view to encouraging wider participation and new career path opportunities regardless of gender. The up-take in Apprenticeships, for both new roles and amongst existing staff has steadily started to increase since then, although three quarters of the opportunities taken up have been by men. Therefore, there is a need to identify why the opportunities available appear (on the face of it) to be less appealing to women than men. Some of this can undoubtedly be attributed to an imbalance in gender diversity in some particular areas of the business, for example IT, where the majority of staff are men and who account for a number of the Apprenticeships that have been taken up.

*NB - National Statistics (ASHE 2017) had the 'mean' gap at 17.4%. Separately, in analysis carried out by XpertHR, the 'mean' gap for Private Sector services was 21.2% and for Professional and Business services organisations 20.6%

OUR DATA: THE 'MEDIAN' GAP

Our overall 'median' gap is 5.3%* (see note below) in favour of women (2.5% in 2017). We believe that this figure provides a more accurate reflection and measure of the gender pay gap in the organisation, as the 'median' is less susceptible to the extreme variations that the 'mean' is, where a small number of highly paid individuals or specialists can significantly skew the overall gender pay gap.

The figure, coupled with the figures within each of the four quartiles, suggests overall that the University is on the right

track in terms of our gender pay gap and opportunities for career development and enhancement. However, with the 'median' gap apparently increasing in favour of women, there is a need to examine the reasons for this more closely and to ensure that it doesn't increase any further.

As with the quartiles analysis for the 'mean' figures, the 'median' varies a little through the quartiles and demonstrates the same trend in the Top, Upper Middle and Lower Middle quartiles. This will enable us to target and develop future interventions.

*NB: National Statistics (ASHE 2017) had the 'median' gap at 18.4%. Separately, in analysis carried out by XpertHR, the 'median' gap for Private Sector services was 13.7% and for Professional and Business services organisations 23.7%.

	Female	Male	mean % gap* (see note)	median % gap* (see note)
Top Quartile			10.19% [^] (11.6%)	2.41% [^] (2.28%)
Upper Middle Quartile			2.4% (1.88%)	3.33% (4.74%)
Lower Middle Quartile			0.78% (-1.36%)	2.84% (-3.94%)
Lower Quartile			-0.11% (-3.91%) [#]	0.15% (-2.91%) [#]

*NB: Figures in brackets taken from 2017 Gender Pay Gap and used for comparative purpose

**NB: in this chart a negative figure indicates that female pay is higher than male pay

[#] Gender pay is weighted in favour of women in this quartile

[^] If the male staff referred to on page 6, who have now left the organisation were removed from the analysis it would reduce the 'mean' and 'median' gaps in the top quartiles to 0.32% and 0.04% respectively

OUR DATA: THE 'BONUS' GAP

Although a small number of bonus awards are made each year, historically the University has not tended to make widespread use of such arrangements to reward and recognise performance and achievement.

However, as the University operates in a competitive business environment, it will continue to evaluate the merits of adopting such types of arrangements, in the context of the development of our future reward strategy.

The magnitude of the reversal in the 'mean' and 'median' bonus gaps this year compared with the gaps reported in our April 2017 Gender Pay Gap Report, can largely be attributed to the fact that a significant bonus award was made to a female employee during the Gender Pay Gap Reporting reference period in April 2017 i.e. it artificially skewed the 'mean' and 'median' gender bonus gaps.

At 22.2%, the 'mean' gender bonus gap is significantly below the figures for other organisations in the same sector and also for organisations in the same industry.

At 28.6%, the 'median' gender bonus gap is broadly comparable with the gaps in other organisations in our sector, but is above organisations in the same industry.

In addition, the proportion of men and women receiving a bonus award has increased since 2017, although for men the increase seems to have been disproportionately higher. However, despite the increases in those receiving a bonus award, the proportion of men and women receiving a bonus are significantly below practice in other organisations.

Therefore, we plan to review and investigate further why there are differences in the 'mean' and 'median' bonus gaps, but also to understand what the reasons are for a larger proportion of men having received a bonus in comparison to women.

OUR GENDER PAY GAP – CONCLUSIONS AND HOW WE PLAN TO ADDRESS IT

We are reassured that our current gender pay gap figures do not arise from men and women being paid differently for undertaking the same or equivalent work.

Regular benchmarking of roles, both internally and externally, is undertaken throughout the course of the year to ensure that salary levels are set fairly and equitably. Where any potential issues are identified and are supported by evidence, the University's remuneration committee will consider any requests for adjustments in salary to address these.

With a large proportion of our roles, the potential for variations, caused by 'time-served' is reduced, due to 'spot-rate' salaries and narrow salary bands. Nonetheless, we do know that we still have some work to do with a number of roles, where relatively wide pay ranges exist and some legacy pay differentials persist. Action was taken in 2017 and 2018 as part of the pay review process to address these issues and successful progress has been made. Further measures are planned as part of the 2019 Pay Review process to address any remaining legacy issues.

The University continues to strive to ensure that the full range of career and development opportunities are available to both men and women, on the same basis, identifying and removing any actual or perceived barriers to progression at all levels, but particularly for senior roles through appropriate interventions.

As part of our 2017 Gender Pay Gap Report and commitment to achieving change, in order to measure our progress, we committed to monitoring four key metrics. Specifically,

1. Equalisation of the ratios of men to women in all four quartiles, with a particular focus on maintaining the ratio at the top of our business to demonstrate fair and open career paths.
2. Achieve zero pay gaps (+/-3%), within each individual pay quartile.
3. Continue to develop Apprenticeship opportunities for career development.
4. Monitor the effectiveness of our recruitment methods, including advertising, to ensure that we are reaching as broad an audience as possible in terms of both women and men.

PROGRESS WITH FOUR KEY METRICS

So how are we doing in relation to each of the four key metrics?

1

Women are the dominant gender in all four quartiles. The gender breakdown by quartile is illustrated on page 5 and shows that between the Lower and Lower Middle Quartiles there is only a circa 1% difference in the proportion of women vs men in each quartile (68.2% and 67.1% respectively) and so are very close in terms of our aspiration to equalise the ratios. However, the Upper Middle quartile is significantly higher than both, with the proportion of women standing at 77.5%. Indeed the proportion of women in this quartile has increased by 1.8% since 2017, whilst the proportion of men has decreased by the same percentage. Finally, at the Top Quartile, the difference in the proportion of women and men when compared with the lower two quartiles is circa 5%. Therefore, further investigation is required to understand why there is such a stark difference between the gender profiles in quartile three, when compared with the other three quartiles.

2

An examination of the 'mean' and 'median' gender pay gaps on page 6-8, indicates that with the exception of the 'mean' gap in the top quartile and the 'median' gap in the upper middle quartile, the remaining six quartile indicators all fall within our target range of zero (+/- 3%). The 'median' gap in upper middle quartile is only just outside of our target zone, sitting at 3.33%. The Top Quartile 'mean' sits significantly outside of the +/- 3% tolerance zone, with the gap sitting at 10.19%. However, this represents a significant improvement on the position at the 2017 Gender Pay Gap, when the gap stood at 11.6% i.e. there has been a 1.5% decrease in the 'mean' gender pay gap for the Top Quartile. Further interventions are planned for the Top Quartile, which should see the 'mean' gap reduce further by the time of our next Gender Pay Gap report in 2019.

3

Since our first Gender Pay Gap Report in 2017, the University has pro-actively been promoting the Apprenticeship Scheme and has made significant strides in increasing the number of apprenticeships opportunities, not only for new entrants, but also for existing staff; thus providing numerous career development opportunities. However, an examination of the take-up indicates that only 23.5% of those undertaking an apprenticeship now are women. Therefore, some work is required to understand the reasons for why the take-up by women is so low, when compared with men and to identify what interventions we can put in place to improve take-up levels by women.

4

As part of the monitoring of the effectiveness of our recruitment practices, we reviewed eight campaigns that had run over the past 12 months. There were 102 applications for 15 roles, across the eight campaigns, of which 64.7% were from women and 35.3% from men; which interestingly almost mirrors the proportion of men and women in three out of our four quartiles. Subsequently, following shortlisting and interview, of the 15 roles, 86.7 % were eventually filled by women with the remaining 13.3% being filled by men. Although there is nothing to suggest that our recruitment practices are not operating as they should, two contributing factors to the disparity (in the proportion of men and women), appear to be linked to the working pattern of some roles (i.e. FT vs PT), and to the nature of the roles themselves, which historically may have been seen as more attractive to women than men.

