

Gender Pay Gap Report 2022



UK Research
and Innovation



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Foreword

As a steward of the UK's research and innovation system, UKRI strives to be a diverse and inclusive organisation, capturing the benefits of open-minded sharing of different ideas, expertise and experiences in everything that we do. This requires a working environment in which everyone feels valued, respected and supported to thrive.

Our Strategy set out four principles for change underpinning the more connected and agile research and innovation system that the UK needs: diversity, connectivity, resilience and engagement. Equality, diversity and inclusion (EDI) are therefore a central part of our vision for an outstanding research and innovation system to which everybody can contribute and from which everyone benefits.

We cannot effectively champion EDI across the sector unless we robustly hold ourselves to account on delivering on these ambitions and ensure that we continuously improve. Our gender pay gap report is one element of this work. This report is the fourth since UKRI was established, and the data within it

form part of our annual cycle of reporting to influence our EDI action plan. It provides us with an opportunity to understand trends and to evaluate the impact of mitigating actions.

While there is a downward trend in our mean gender pay gap, progress is slow and there is much more to do to understand what drives our gender pay gap and to address it, some of which we set out in this report.

For example, the gender pay gap is much smaller among those under 40 than among those over 40, reflecting very different age distributions for men and women across pay bands. This, in combination with the particularly strong under-representation of women in upper-middle pay grades, suggests that there may be issues with career progression within the organisation. As UKRI matures as an organisation, there is an opportunity to reap the benefits of bringing together its nine constituent founding organisations to build diverse career paths across UKRI and this is something we are working to develop.

For the second year, we are also publishing our ethnicity pay gap. While we have some way to go to collect the full data we need to assess this, this is a first step towards understanding the ethnic inequality within our work force. We are working hard to create the conditions that enable our staff to share data confidently, and in a way that allows us to draw informed conclusions.

This year we have also published our EDI Workforce Plan. We recognise the important role that UKRI has in the wider research and innovation system and it is vital that we hold ourselves to account for becoming the best organisation we can be. I look forward to seeing the benefits of the plan as it matures and creates an impact within UKRI and within the sector as a whole.

Ottoline Leyser

About UKRI

UKRI is a non-departmental public body sponsored by the Department for Science, Innovation and Technology. Our mission is to convene, catalyse and invest in close collaboration with others to build a thriving, inclusive research and innovation system that connects discovery to prosperity and public good.

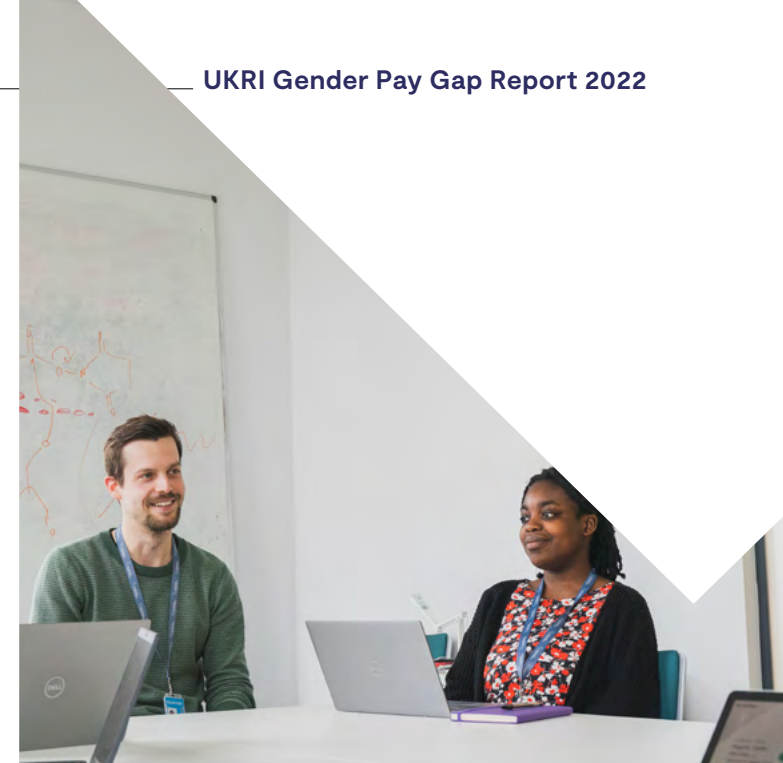
Our organisation brings together the seven disciplinary research councils, Research England and the UK's innovation agency, Innovate UK. UKRI has a great depth and breadth of expertise, allowing us to connect research communities, institutions, businesses and wider society, in the UK and around the world. This combination enables us to work across the whole research and innovation system, informed by our networks and expertise. Alongside its significant funding activities, UKRI also owns and maintains research facilities, which contribute to the UK science base.

Our structure

We are a diverse organisation employing highly specialised people across the globe, from Polar science researchers and specialist support staff (e.g., mariners and engineers) to office-based employees in the UK and at our international offices. Analysis and discussion in this paper is presented primarily for the whole of UKRI as a single employer for the year ending 31 March 2022.

UKRI operates a grading system underpinned by a job evaluation system; grades reflect the level of responsibility that individuals have, with each grade having a set pay range. Our main grade range begins at Band A, the most junior band, and ends at Band H, the most senior main grade. Our most senior roles are identified as Band X and Y.

The overall gender distribution as of March 2022 was 45% female and 54% male (1% unknown). The overall proportions of men and women have remained largely static since UKRI's inception in 2018.



The workforce is more polarised when comparing research-facing and professional support areas. Women make up 60% of professional support roles and 33% of research facing roles. This reflects the sector where professions in some areas of science and engineering have tended to be more male dominated. The picture is slowly changing with the number of women accepted into full-time STEM undergraduate courses having increased by 49% between 2010 and 2020 (<https://educationhub.blog.gov.uk/2021/02/09/more-young-people-are-taking-stem-subjects-than-ever-before/>).

Our work on talent pooling, attraction and outreach continues to support and encourage more people from underrepresented groups into the sector.

The gender pay gap is influenced by distribution of men and women within the workforce rather than differences in pay within the grades (measuring equal pay

for equal work), for a detailed analysis on equal pay within UKRI please see our equal pay audit available at: <https://www.ukri.org/publications/ukris-equal-pay-audit/>. The table below shows the gender representation across the overall UKRI workforce, in descending order of seniority (band Y being the highest).

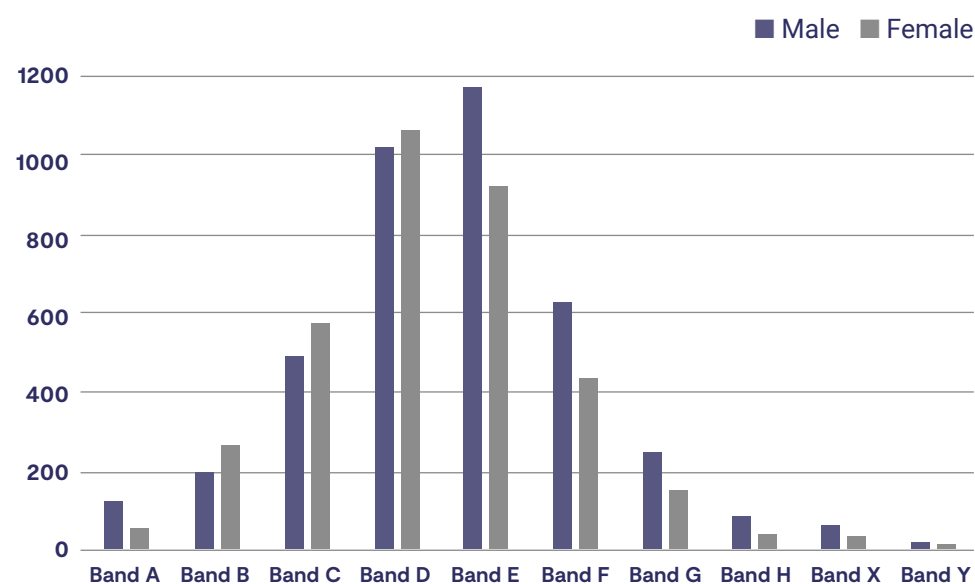
This shows that there is generally a higher representation of males in the more senior grades however since 2021, there has been a slight increase (<5 percentage points) in the percentage of women in main bands E,F, and G and senior bands H and X.

Table 1: Representation of full-time employees by grade in UKRI

Grade	Female	Male	Overall Employee Count
Band Y	40%	60%	30
Band X	36%	64%	95
Band H	33%	68%	120
Band G	38%	62%	394
Band F	41%	59%	1059
Band E	44%	56%	2088
Band D	51%	49%	2078
Band C	54%	46%	1060
Band B	57%	43%	459
Band A	30%	70%	173

Table 1: This table lists the percentage of females and males in each band of UKRI and overall count of employees in each band. There are more employees in the middle bands than the lower and top bands. There are more males in bands A, E, F, G, H, X and Y, there are more females in bands B, C and D.

Figure 1: Representation of males and females in UKRI by grade



Gender pay gap reporting

Gender pay gap data sets out the difference between the average pay of all females compared to the average pay of all males within the organisation, regardless of level or type of work carried out. This means that the representation of male and female staff within the workforce will have an impact on the gender pay gap. A positive figure indicates a pay gap in favour of males and a negative figure indicates a gap in favour of females.

The gender pay gap is different to equal pay. Equal pay compares pay differences between males and females who carry out the same jobs, similar jobs or work of equal value. It is also important to understand the pay gaps by ethnicity and age group, and further analysis of pay gaps against these criteria are contained in the Annex.



Gender pay gap – Methodology

In 2017, the Government introduced legislation that made it statutory for all organisations with 250 or more employees to report annually on their gender pay gap. In order to comply with government legislation the gender pay gap must be calculated as the difference between average hourly earnings (excluding overtime) of males and females as a proportion of male's average hourly earnings (excluding overtime). It is a measure across all jobs in the UK, not of the difference in pay between males and females for doing the same job. The regulations require annual gender pay gap reporting including:

- mean and median gender pay gap
- the proportions of males and females in each pay quartile;
- the mean and median gender bonus gap, and,
- the proportion of males and females who received bonuses.

Although current reporting guidelines require us to segment the population by males and females, we recognise that gender identity is not binary, and some individuals may identify differently. To meet reporting responsibilities, the data used in this report is legal sex data.

We encourage all employees to share their diversity data with us, which includes ethnicity, disability status, sexual orientation and gender identity. By sharing diversity data our employees are helping us collect accurate data which offers insights into the representation and diversity of our workforce.

The data used to calculate the UKRI gender pay gap is as of 31 March 2022. The mean shows the difference between the average hourly earnings of males and females by taking the total pay of females and dividing this by the number of females, and the same for males.

The median is found by lining up all employees' pay in two lines, one for females, one for males, in order of pay from highest to lowest. The median gender pay gap then compares the pay difference between the male and the female in the middle of the respective lines.

UKRI's gender pay gap



Table 2: UKRI's Gender Pay Gap 2022¹

	31 March 2020	31 March 2021	31 March 2022	In 2022, the gap has become	
Mean gender pay gap	10.3%	10.2%	9.6%	0.6	percentage points narrower from 2021
Median gender pay gap	10.7%	12.3%	8.7%	3.5	percentage points narrower from 2021

Table 2: This table shows the mean and median gender pay gap between of 2020, 2021 and 2022. In 2022 the mean gender pay gap has become 0.6% narrower from 2021. In 2022 the median gender pay gap has become 3.5% narrower than 2021.

Table 2 shows that the mean gender pay gap decreased by 0.6pp and the median gender pay gap (GPG) decreased from 12.3% in 2020 to 8.7%. In other words, for every £1 that the median male earned the median female across the whole of UKRI earned 91p.

Contributing factors

It is interesting to note the differences in the decreases between the median and the mean. The change in the median gender pay gap is largely driven by the changes in the composition of staff within the middle pay quartiles.

1. Figures rounded to 1 decimal place

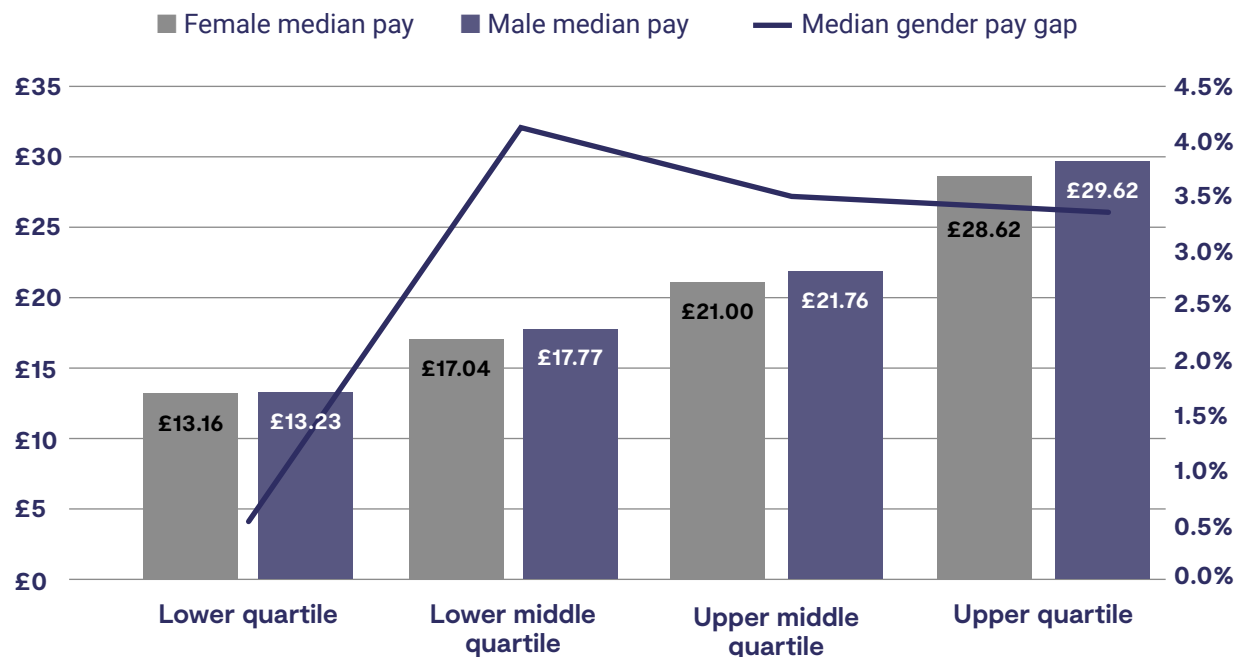
**Drivers of the gender pay gap:
Distribution**

It is apparent that the distribution of males and females in the organisation is a key driver of the GPG and so examining the GPG by quartile highlights where the gaps have the most impact on the overall figures.

Following Royal Statistical Society (RSS) guidance, we also publish the median hourly gender pay gap by quartile. Figure 1 shows that the median gender pay gap in every quartile is smaller than the gender pay gap for UKRI overall. The median gender pay gap is smallest in the lowest quartile at 0.5%. The median gender pay gap was highest in the lower middle quartile at 4.1%. Or, for every £1 the median male earned in the lower middle quartile, the median female earned 96p.



Figure 2: UKRI’s median gender pay gap by quartile 2022



Percentage of males and females in each pay quartile

Figure 3 shows the percentage of females and males within each pay quartile for the year ending 31st March 2022. The only quartile where females occupied a higher proportion of the employee population is the lower quartile at 53%. The lower middle quartile is split relatively evenly with females making up 49% of the employee population. Males occupy a higher proportion of the employee population of the lower middle quarter and the two upper quartiles, the proportion of males increases from 51% in the lower middle quartile to 57% in the upper middle quartile and finally 62% of the upper quartile.

Figure 4 shows the proportion of females in each quartile has remained largely static with a slight decrease in the lower middle quartile and a slight increase in the upper quartile.

Figure 3: The percentage of males and females in each pay quartile, UKRI, 2022

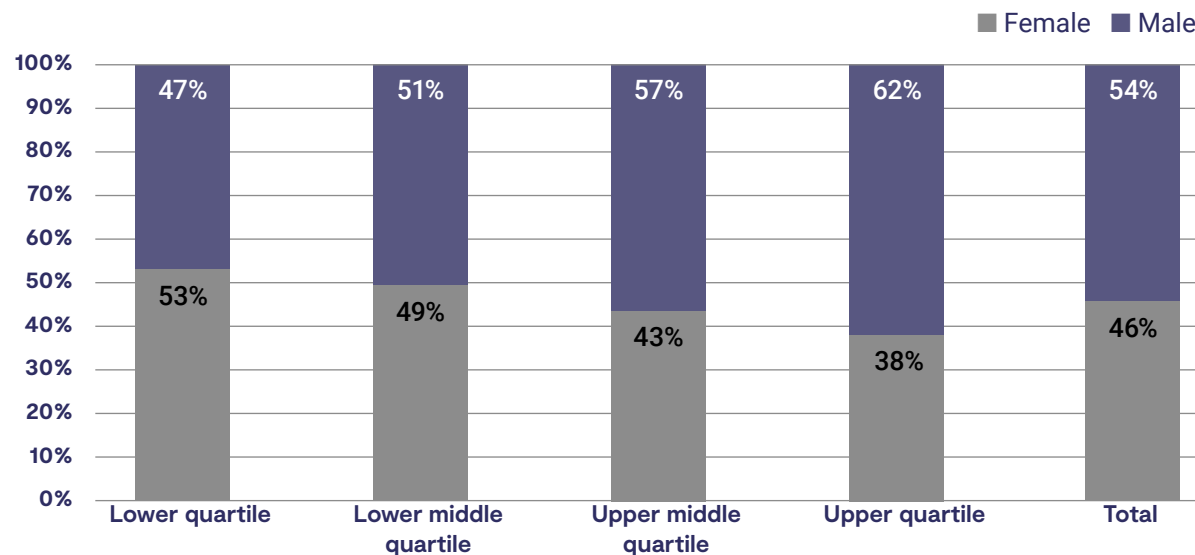
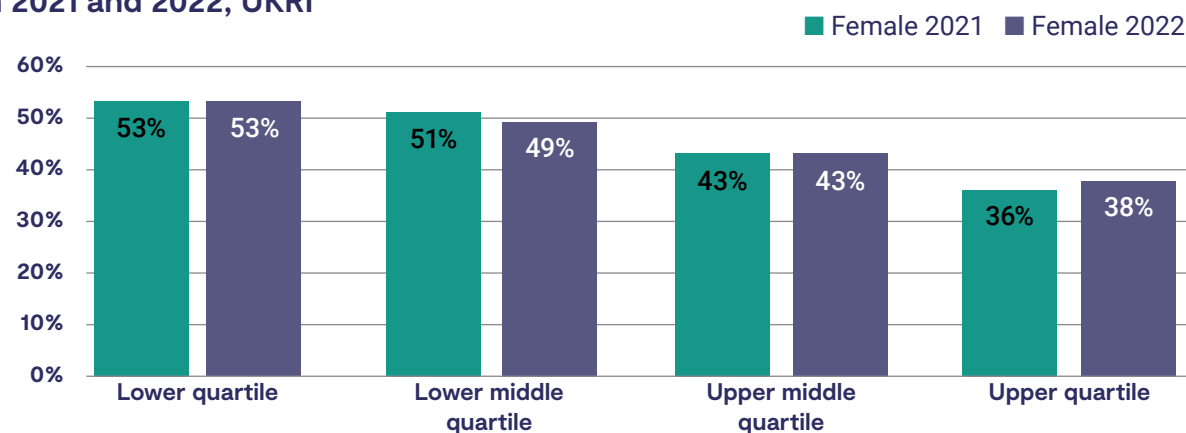


Figure 4: The percentage of employees who are females in each pay quartile in 2021 and 2022, UKRI



Drivers of the gender pay gap: Age

We have been interested to see the differences in the GPG when segmenting by age as it shows us that the mean GPG is significantly smaller (0.7%) for those under 40 in comparison to those over 40 (14.3%). These numbers have stayed relatively static (the largest change being the median GPG for over 40s decreasing from 15.3% to 12.7%) when compared to the 2021 findings.

Table 3 below shows the proportion of females in each quartile has remained largely static with a slight decrease in the lower middle quartile and a slight increase in the upper quartile. shows the mean and median gender pay gaps for employees under 40 years and employees 40 years

and above. Overall, the mean and median gender pay gaps were larger for the 40 years and above age group. The median gender pay gap for the under 40 group was 2.4% in favour of males. This is lower than the national median gap of 3.2% reported by the Office of National Statistics (ONS)*. The median pay gap for employees 40 years and above was 12.7% in favour of males. In other words, for every £1 that the median male in the 40 years and above category earned the median female earned 85p in this age category across the whole of UKRI. This gap is similar to the UK average at approximately 12%* reported by the ONS for this age group.

As figure 4 illustrates, more than 63% of all employees in senior bands G and above are

males, with the vast majority being 40 years and above. Males in the 40 years and above category were more highly concentrated in the senior bands this differs from females in the 40 years and above category who are more evenly distributed between the entire range of bands, thus the proportion of females aged 40 and above in the lowest 4 bands (Bands A to D) is higher than the proportion of males.

A large driver of the total workforce gender pay gap is the higher proportion of males in senior bands. When comparing males and females under 40, the comparison is mostly between employees in the lowest 4 grades and therefore the skew of senior grades does not affect the averages and therefore the GPG is less than the GPG of the total workforce. When comparing people over 40, the pay gap is exacerbated compared to the total workforce comparison due to higher concentration of males aged 40 and above in the senior grades.

* Source: <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/genderpaygapintheuk/2022>

Table 3: UKRI's gender pay gap by age 2022

	GPG 40+	GPG Under 40	GPG All UKRI Employees
Mean gender pay gap by age	14.3%	0.7%	9.6%
Median gender pay gap by age	12.7%	2.4%	8.7%

Table 3: This table shows the mean and median GPG for employees above 40 years old, under 40 years old and the GPG for all employees. The gender pay gap for employees under 40 is much lower than those above 40.

Figure 5: The percentage of males and females in each band across UKRI, 2022

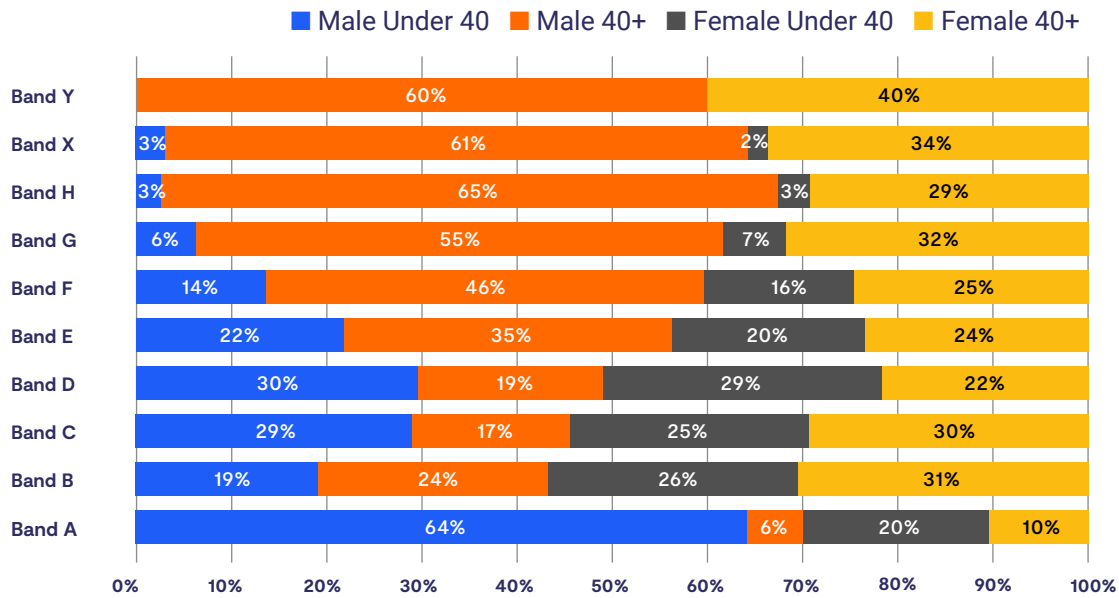


Figure 6: The distribution of males and females by band under the age of 40

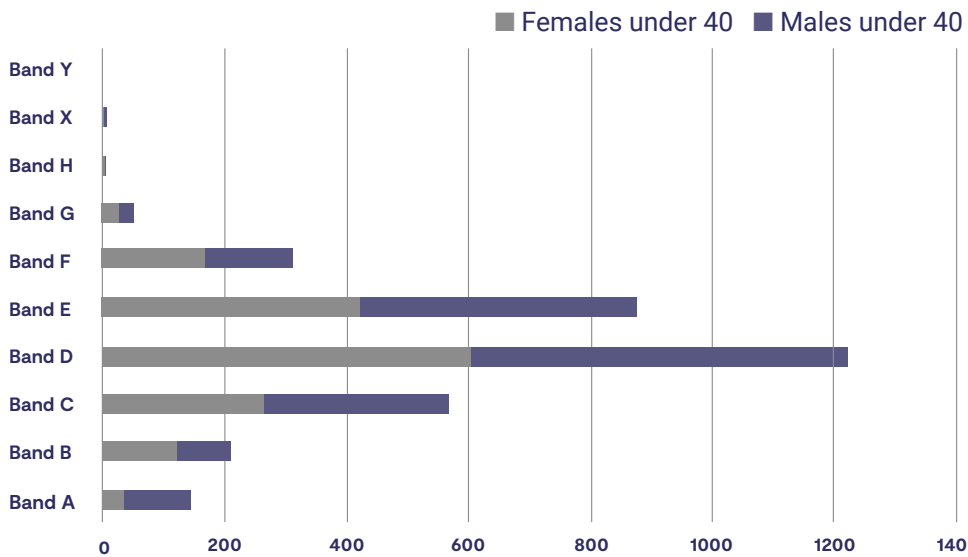
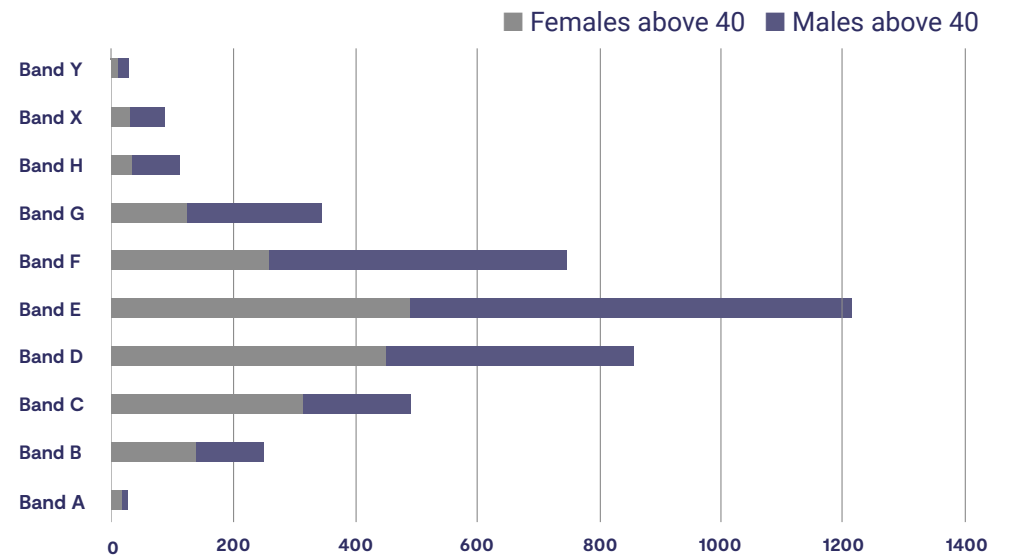


Figure 7: The distribution of males and females by band over the age of 40



UKRI's ethnicity pay gap data

In 2021 UKRI published ethnicity pay gap data for the first time to increase transparency and endeavour to understand if there are any differences in pay between ethnic groups within the organisation.

Ethnicity pay gap (EPG) data sets out the difference in average pay of all minority ethnic employees compared to the average pay of all white employees, regardless of the level or type of work carried out. A positive figure indicates a pay gap in favour of white employees and a negative figure indicates a gap in favour of minority ethnic employees.

Table 4 shows the mean and median ethnicity pay gap for UKRI in 2022. On 31 March 2022, UKRI had a mean ethnicity pay gap of 6.2%. The median ethnicity pay gap was 0.2%. In other words, for every £1 that the median white employee earned the median minority ethnic employee across the whole of UKRI also earned £1 (rounded to the nearest penny). This is lower than the national median of 2.3%* reported by the ONS in its report for 2019. The ONS has not published EPG data since 2019.

*Source: <https://www.ons.gov.uk/employalestandlabourmarket/peopleinwork/earningsandworkinghours/articles/ethnicitypaygapsingreatbritain/2019>

Table 4: UKRI's Ethnicity Pay Gap 2022

	EPG
Mean ethnicity pay gap	6.2%
Median ethnicity pay gap	0.2%

Table 4: This table shows the mean and median ethnicity pay gap, the mean EPG is 6.2% and the median EPG is 0.2%

The mean EPG has increased by 1% compared to the previous year while the median has decreased by 3%. However, when comparing these data, it should be noted that due to the disclosure of this information being voluntary we did not have the ethnicity data for a large group of employees. In 2021 20.8% of employees had not disclosed their ethnicity, this has increased to 27% in 2022, this variance in our sample data could explain the variance of the EPG from 2021 to 2022.

Due to the small number of employees identified in each minority ethnic group, all minority ethnic groups were aggregated into

Table 5: No. of employees in ethnic groups across UKRI

	No of Employees	% of Employees
Employees reporting ethnic minority background	543	7%
Employees reporting white ethnic background	5145	66%
Missing Information on ethnic group	2148	27%

Table 5: This table shows the number and percentage of employees that have reported their ethnicity and the number and percentage of employees that have reported to have a white or minority ethnic background. The Majority of employees have a white ethnic background (66%), 27% of employees have missing ethnic background data and 7% of employees are have a minority ethnic background.

one larger 'minority ethnic group'. This was to enable more statistically robust comparisons and to preserve anonymity. We recognise that aggregating ethnic groups in this way can mask the experiences, differences and disparities of individual ethnicities and will seek to encourage more employees to share their ethnicity to enable more detailed analysis in the future.

UKRI's gender bonus pay gap

The bonus gender pay gap is the difference between the average bonus pay of all females compared to the average bonus pay of all males within the organisation. A positive figure indicates a bonus pay gap in favour of males and a negative figure indicates a bonus pay gap in favour of females. As for the overall gender pay gap, both the mean and median bonus gender pay gaps are published.

During year ending 31st March 2022, 87.6% of females employed by UKRI received a bonus compared with 86.0% of males. The

mean bonus gender pay gap is 10% the median bonus gender pay gap is 0%. The bonus GPG has been trending narrower for the last three years.

UKRI operates several bonus schemes including instant recognition vouchers, in-year monetary awards and end of year awards linked to performance.

Senior grades (Band X and above) are only eligible for end-of-year performance related awards, with bonuses being paid only to top performers in the appraisal year.

Table 6: UKRI's bonus gender pay gap 2022

	1 April 2019 to 31 March 2020	1 April 2020 to 31 March 2021	1 April 2021 to 31 March 2022	In 2022, the gap has become
Mean bonus gender pay gap	27.2%	17.1%	10.1%	7 percentage points narrower
Median bonus gender pay gap	-66.7%	18.0%	0.0%	18 percentage points narrower

Table 6: This table shows the mean and median gender pay gap from 2020, 2021 and 2022. In 2022 the mean GPG has become 7% narrower and the median GPG has become 18% narrower.



Table 7: Bonuses awarded to UKRI employees during year ending 31st March 2022 by gender and award type

Type of award	Percentage of all females receiving awards	Percentage of all males receiving awards	Mean Award Amount - Females	Mean Award amount - Males
Instant ¹	20%	16%	£93	£93
In year ¹	22%	26%	£377	£330
End year ²	87%	85%	£534	£637
Senior bonus ³	39%	49%	£8,749	£10,255
All bonuses	88%	87%	£464	£563

Table 7: This graph shows the percentage of males and females receiving Instant, in year, end year, senior and any bonus. It also shows the mean award amount split by gender. The percentage of males and females receiving each type of bonus is similar for Instant, In Year and End Year. 39% of females compared to 49% of males received a senior bonus. On average males received an end year award amount of £100 more than females. The average senior award for females was £8,749 compared to £10,255 for males.

Notes:

1. Instant and in year awards are nominated and paid throughout the year.
2. Percentages for instant, in year and end year bonuses are calculated for employees in main grades whereas percentages for senior bonus are calculated for employees in senior grades X and Y.
3. Figures rounded to nearest whole number.



Drivers of the bonus pay gap

The gap can be explained by larger bonus amounts awarded to staff in higher pay quartiles, where there are higher proportions of males. To explain this further, table 7 shows the average amount and percentage of different types of awards for males and females.

Females were more likely than males to receive instant and in year awards, which are of a lower value than senior awards. The percentage of males and females receiving end year awards was similar, however, the average amount was higher for males. The mean award amount for senior bonuses was higher for males, additionally males in bands X and Y were more likely to receive a senior bonus than females.

Contractual bonus pay arrangements for senior staff in IUK and MRC, which are higher than bonus pay arrangements in the rest of UKRI and which pre-date the formation of UKRI, have impacted on the overall difference seen in the senior and end

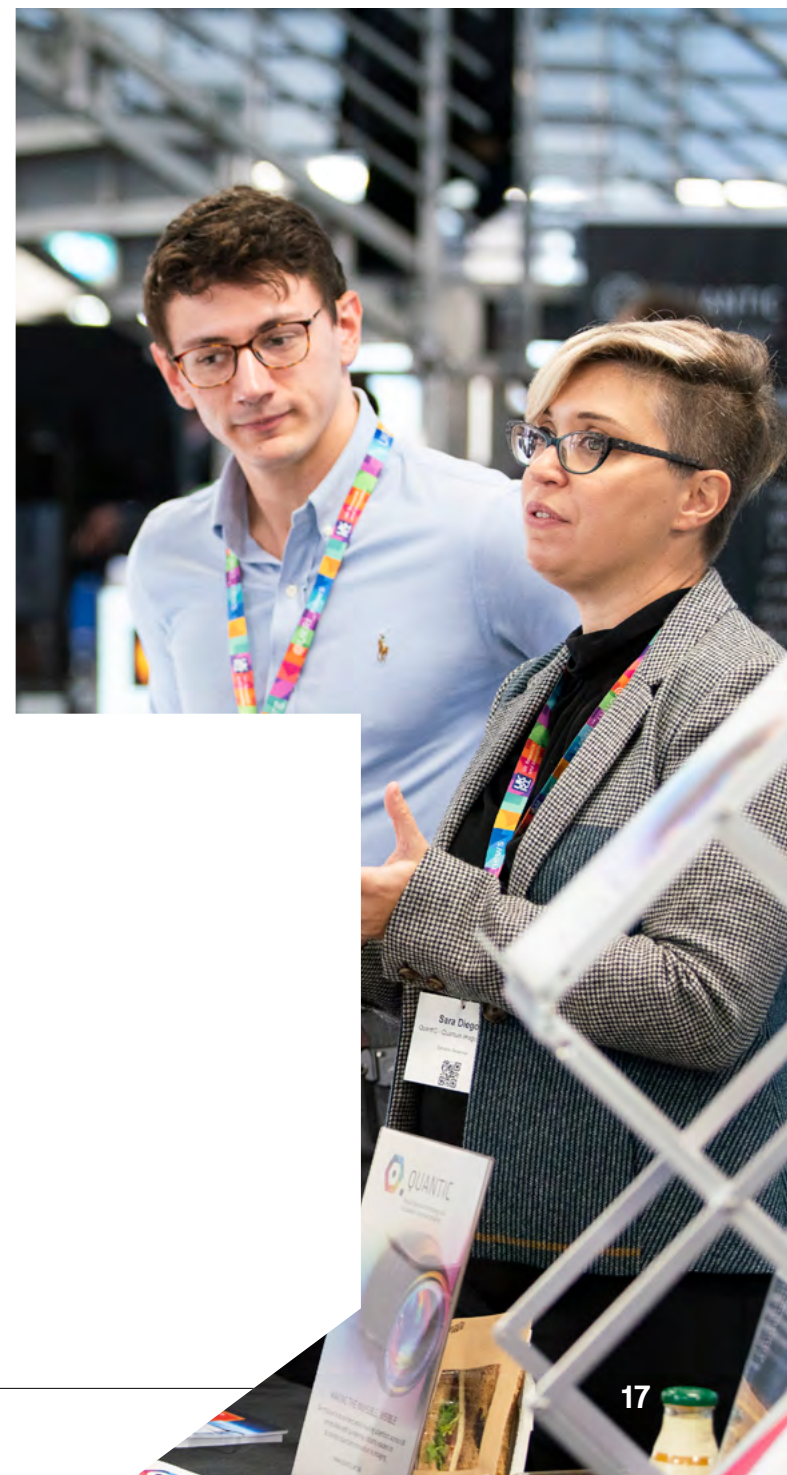
of year bonus amounts between males and females across the whole of UKRI due to representation of males being higher in this cadre.



What UKRI did during 2022

We have taken a number of positive steps during 2021 to close our gender pay gap and improve equality and diversity overall, including:

- Published our draft EDI Strategy; our objectives include fostering an inclusive and diverse R&I system, advancing equality through the way we work and to develop approaches to monitor, measure and evaluate changes.
- Published a Workforce EDI plan which outlines our detailed actions to embed and mainstream EDI in UKRI. It provides a roadmap to guide the EDI activity across the organisation. It also demonstrates how we will deliver on our strategic priorities and meet our Public Sector Equality Duty.
- Published a Gender Equality Plan which sets out the actions we're taking to advance gender equality in UKRI.
- Built on commissioned research and insight to inform us better about our available talent pool and how we reach out to and encourage more people from under-represented groups into UKRI (the science and research professions in particular).
- Continued use of our Applicant Tracking System reporting, enabling us to track candidates by characteristic to assess our attraction and appointment decisions by gender and ethnicity
- Continued to support a vibrant and thriving set of staff networks which aim to share experiences and catalyse change. This has helped us to collaborate with our workforce to identify areas of improvement, for example, working with the Early-Career Network to aid career development opportunities and resources.
- Alongside our increased focus on workforce Equality Diversity and Inclusion, UKRI has also improved its offer to staff in Leadership and Learning, and Wellbeing.
- In order to understand better the experience of our employees in UKRI, we have carried out a comprehensive people survey with a 61% response rate. This has led to a UKRI wide action plan





Next steps

Next steps

UKRI intends to create a more diverse and inclusive environment to enable the Gender Pay Gap to close further. UKRI is committed to attracting and retaining a talented and diverse workforce as we recognise that this is what we will need to deliver our mission.

We will improve our ED&I workforce data to understand better our workforce and trends to gain further insights for action to ensure that UKRI increases its diversity of people throughout its workforce.

We will seek to build on the equal pay report published in 2022.

As we deliver our workforce EDI plan, we will identify and address structural barriers to EDI within our policies, practices and systems across the range of our operations. This includes reviewing stages of the employee lifecycle to identify barriers to employee groups by characteristic. We are implementing a new process to streamline and further embed equality impact assessments, with tailored training and support.

We will expand and improve our candidate reach particularly for science and technology roles via the development of a talent attraction framework to target talent pools via a range of media channels and use inclusive language in our job advertisements. Our new applicant tracking system has been enhanced to enable better scrutiny of the diversity of our candidates and we will use this data to inform further improvements.

We are keen to focus on the experience of our employees and better support internal mobility and career development. New initiatives are in train to improve the employee value proposition in the talent area and in reward. We believe that we can continue to be an employer of choice, building on the high levels of engagement and commitment we know our employees have to the exciting work that UKRI delivers.



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