

Gender Pay Gap Report 2023



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 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 equality, diversity and inclusion 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 fifth since UKRI was established,

and the data within it form part of our annual cycle of reporting to influence our equality, diversity and inclusion 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 males and females across pay bands. This, in combination with the particularly strong under-representation of females in upper-middle pay bands, 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 third 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 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. 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.

Professor Dame Ottoline Leyser
Chief Executive, UKRI

About UKRI

UKRI is a non-departmental public body sponsored by the Department for Science, Innovation and Technology (DSIT). 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 research and innovation investment activities, UKRI also owns and maintains significant research facilities which contribute to the UK research and innovation base.

Our structure

We are a diverse organisation employing highly specialised people across the globe, from Antarctic researchers and specialist support staff (for example, mariners and engineers) to office-based employees in the UK and at our international offices. Although UKRI is made up of various councils, institutes and units the analysis and discussion in this paper is presented for the whole of UKRI as a single employer for the year ending 31 March 2023.

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

The overall gender distribution as of March 2023 was 46% female and 54% male. The overall proportions of males and females have remained largely static since UKRI's inception in 2018.

The workforce is more polarised when comparing research facing and professional support areas. Females make up 62% of professional support roles and 34% of research facing roles. This does reflect the sector where professions in some areas of science and engineering have tended to be more male dominated. Our work on talent pooling, attraction and outreach continues to work to support and encourage more females into the sector.

The gender pay gap is largely influenced by distribution of males and females within the workforce rather than differences in pay within the bands (measuring equal pay for equal work), a new equal pay report is planned for 2024.

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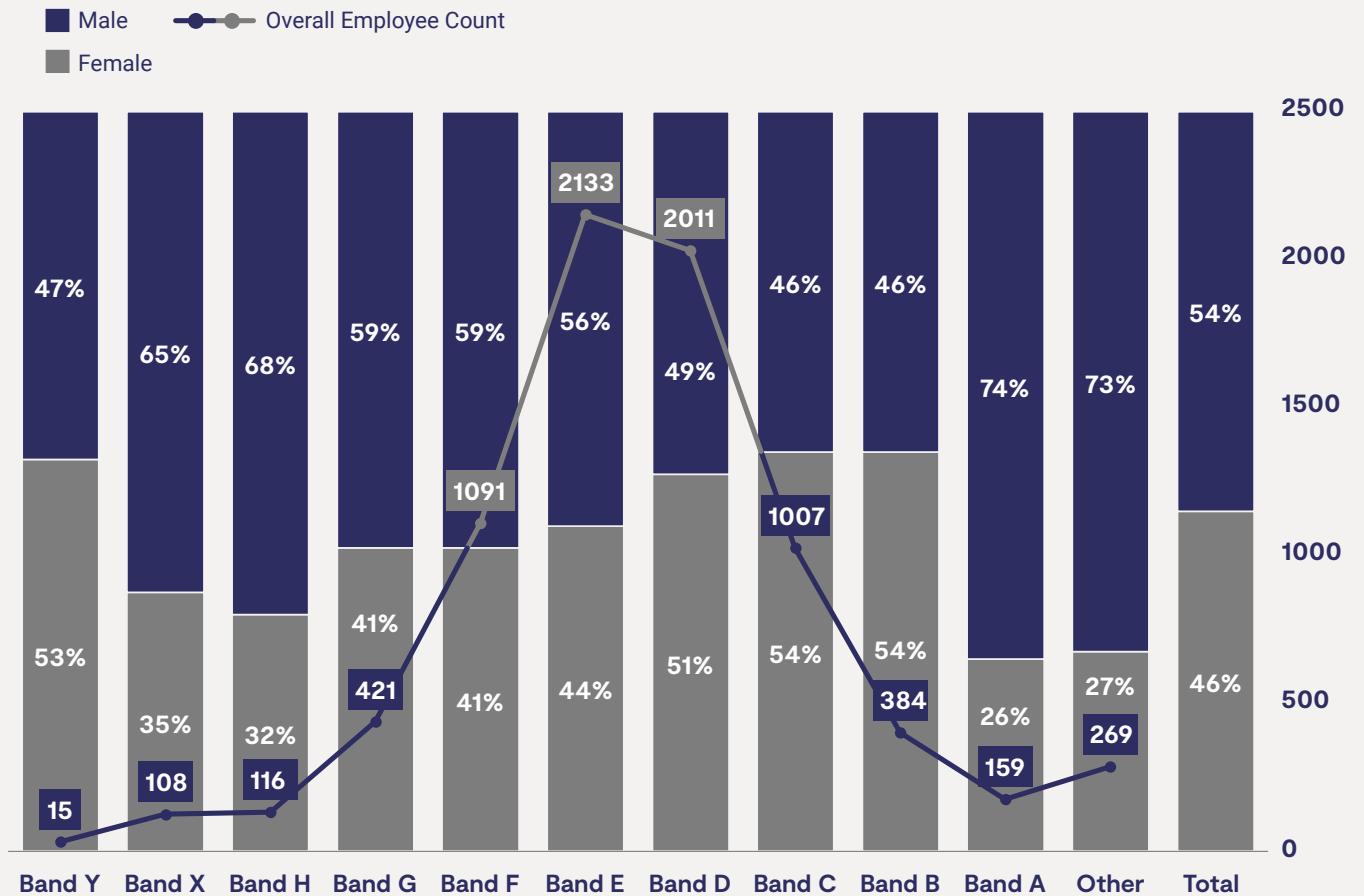
The table below shows the gender representation across the overall UKRI workforce, in descending order of seniority (Band Y being the highest). Figure 1 is presented as an alternative format.

Table 1: Representation of employees by band in UKRI

Band	Female	Male	Overall Employee Count
Band Y	53%	47%	15
Band X	35%	65%	108
Band H	32%	68%	116
Band G	41%	59%	421
Band F	41%	59%	1091
Band E	44%	56%	2133
Band D	51%	49%	2011
Band C	54%	46%	1007
Band B	54%	46%	384
Band A	26%	74%	159
Other	27%	73%	269
Total	46%	54%	7714

Employees captured in the band labelled as 'Other' are employees that do not have a main band equivalent due to being on very specific pay scales, for example Mariners and Pilots.

Figure 1: Representation of total employee count by band and percentage of males and females in each band



This shows that there is generally a higher representation of males in the more senior bands. However, the percentage of females in Band Y has increased since 2022 meaning that there are now more females than males within the most senior band.

Gender pay gap reporting

Gender pay gap (GPG) 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 GPG. A positive figure indicates a pay gap in favour of males and a negative figure indicates a gap in favour of females.

The GPG 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. There is increasing interest to also understand the pay gaps by ethnicity and age groups and further analysis of pay gaps against these criteria are detailed later in this report.

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 2023. 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.

Pay Award: This 2023 GPG report uses data that reflects money actually paid through the March 2023 pay period which includes the 31 March 2023, and bonuses paid during the year preceding the 31 March 2023 as per the government guidance. Therefore, it does not contain data that reflects the 2022 and 2023 Pay Awards which were implemented with back pay on 30 October 2023 and 28 December 2023 respectively. The 2024 GPG report will contain data that reflects the 2022 and 2023 pay awards.

UKRI's gender pay gap

Table 2: UKRI's Gender Pay Gap 2021 to 2023

	31 March 2021	31 March 2022	31 March 2023	In 2023, the gap has become
Mean gender pay gap	10.2%	9.6%	8.3%	1.3 percentage points narrower from 2022
Median gender pay gap	12.3%	8.7%	5.0%	3.7 percentage points narrower from 2022

Table 2 shows that the mean GPG decreased by 1.3 percentage points since 2022. The median GPG is 5%, this is a decrease of 3.7 percentage points since 2022; In other words, for every £1 that the median male earned the median female across the whole of UKRI earned 95p. UKRI's mean GPG is 0.6% higher than the UK national GPG which stands at 7.7% as at April 2023.*

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

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 if you are to split the employee population into those above 40 and those under 40 the GPG is very different for these two groups, with the GPG for those under 40 usually lower than for those above 40.

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 GPG by quartile.

*Source: [Gender pay gap in the UK - Office for National Statistics \(ons.gov.uk\)](https://www.ons.gov.uk/gender-pay-gap)

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Figure 2 shows that the median GPG of the lower quartile is very small at 0.5%, the lower middle and upper middle quartiles have a larger median GPG and the upper quartile has the largest at 4.8%. The GPG of the middle quartiles have decreased slightly from 2022 (lower middle decreasing from 4.1% and the upper middle quartile decreasing from 3.5%). The lower quartile has remained at 0.5%. The upper quartile has increased from 3.4% to 4.8%.

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 31 March 2023. The only quartile where females occupied a higher proportion of the employee population is the lower quartile at 53%. The proportion of females in each quartile trends downwards from the lower quartile to the upper quartile, with the upper quartile having the lowest proportion of females at 40%. The proportions of males and females in each quartile has remained largely constant, with no quartile changing more than 2% from the previous year.

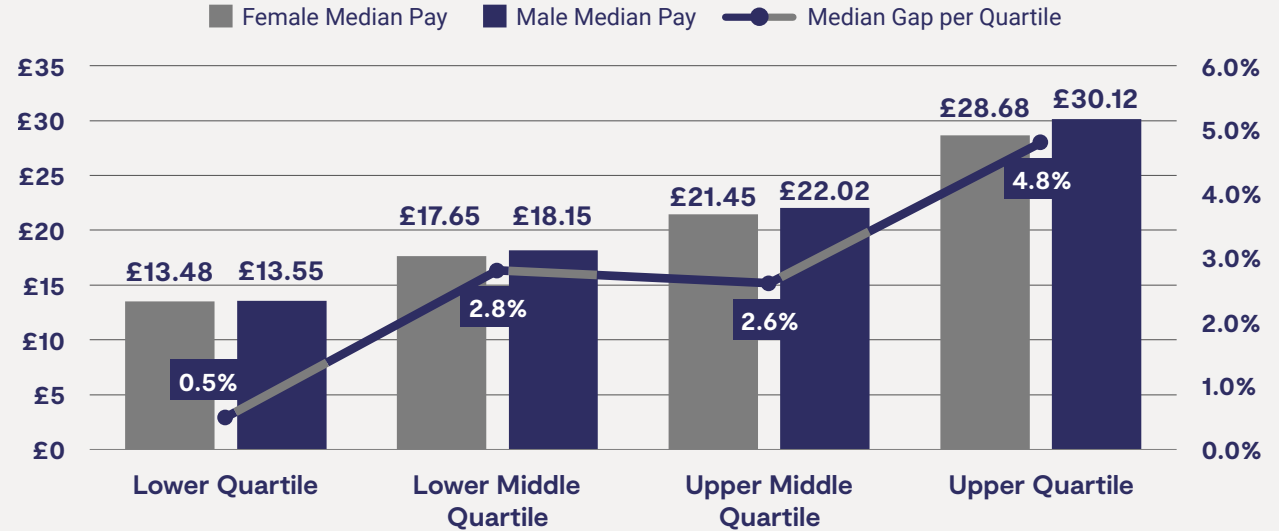


Figure 2: UKRI's median gender pay gap by quartile 2023

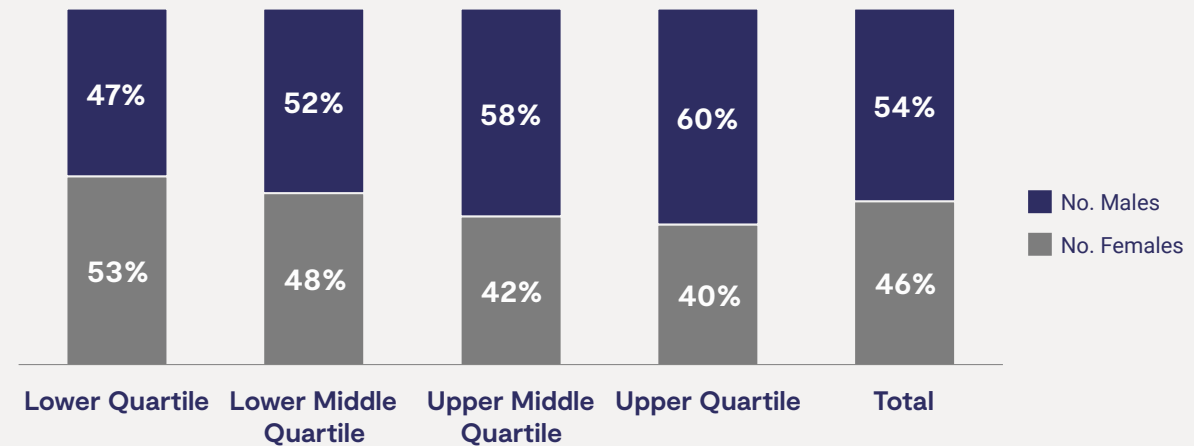


Figure 3: The percentage of males and females in each pay quartile, UKRI, 2023

UKRI's gender pay gap data by age

GPG data by age sets out the difference in average pay of all males and females in certain age categories within the organisation, regardless of the level or type of work carried out. A positive figure indicates a pay gap in favour of males and a negative figure indicates a gap in favour of females.

Table 4: UKRI's gender pay gap by age in 2022 to 2023

	GPG <40		GPG 40+		GPG All Employees
	2022	2023	2022	2023	2023
Mean	0.7%	-1.2%	14.3%	13.3%	8.3%
Median	2.4%	2.4%	12.7%	13.0%	5.0%

Table 4 above shows the mean and median GPGs for employees under 40 years and employees 40 years and above. Overall, the mean and median GPGs were larger for the 40 years and above age group. The median GPG for the under 40 group was 2.4%, this means that for every £1 the median male earns, the median female earns 98p. This is lower than the national median gap of approximately 4.7% reported by the Office of National Statistics (ONS)*. The median pay gap

for employees 40 years and above was 13% 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 87p in this age category across the whole of UKRI.

The mean GPG for employees under 40, is significantly smaller (-1.2%) for those under 40, so much so that as of 2023 the average hourly rate of females is slightly more than males

(£19.05 and £18 respectively). This compares to the GPG of those over 40 (13.3%). The mean GPG of the 40+ group has decreased by 1 percentage point while the mean of the under 40s group has moved to now be in favour of females.

*Source: [Gender pay gap in the UK - Office for National Statistics \(ons.gov.uk\)](https://www.ons.gov.uk/gender-pay-gap)

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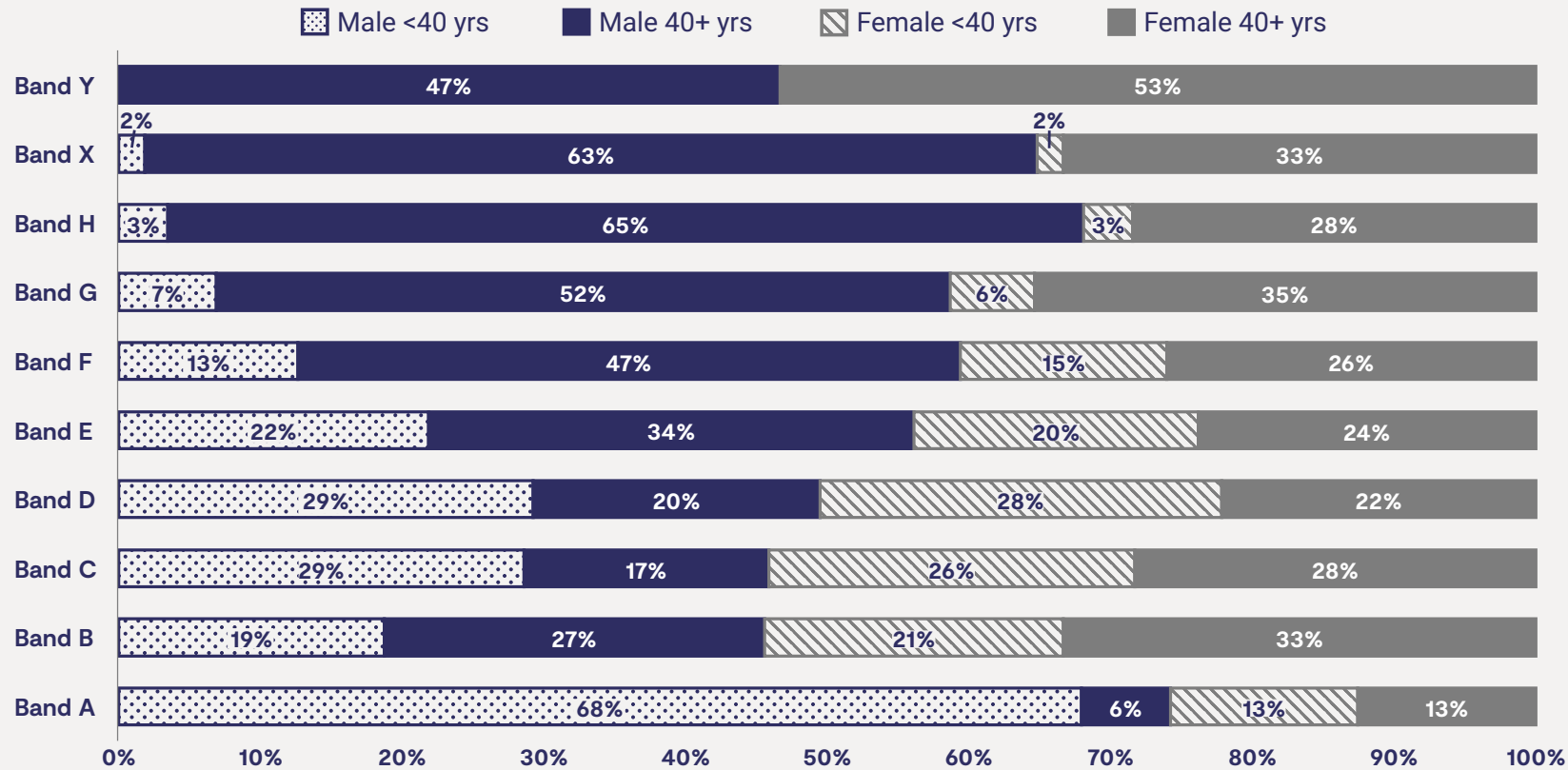


Figure 4: The percentage of males and females in each band across UKRI, 2023

As Figure 4 illustrates, except for Band Y, all bands above Band E have a higher percentage of males than females. Additionally, the proportion of males above 40 in each band generally trends higher from Band C to X. Comparatively, the proportion of females above 40 does not follow this trend with Band C having the same proportion of females above 40 as Band H.

Males in the 40 years and above category were more highly concentrated in the senior bands which 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 GPG 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 bands and therefore the skew of senior bands 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 larger compared to the total workforce comparison due to higher concentration of males aged 40 and above in the senior bands.

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 5 shows the mean and median ethnicity pay gap for UKRI in 2023. On 31 March 2023, UKRI had a mean ethnicity pay gap of 5.1%. The median ethnicity pay gap was 1.3%. In other words, for every £1 that the median white employee earned the median minority ethnic employee across the whole of UKRI earned 99p.

Table 5: UKRI's Ethnicity Pay Gap 2023

	EPG 2022	EPG 2023
Mean ethnicity pay gap	6.2%	5.1%
Median ethnicity pay gap	0.2%	1.3%

The mean EPG has decreased from 6.2% since 2022. However, when comparing these data, it should be noted that due to the disclosure of this information being voluntary we do not have the ethnicity data for a large group of employees. 33% of our employee population have not declared their ethnicity data, this has increased slightly from last year (27%), this may explain some of the variance in the EPG from 2022 to 2023.

Table 6: Number of employees in ethnic groups across UKRI

	No. of Employees	% of Employees
Employees reporting ethnic minority background	495	6%
Employees reporting white British ethnic background*	4,674	61%
Missing information on ethnic background	2,545	33%

Due to the small number of employees identified in each minority ethnic group, all minority ethnic groups were aggregated into one larger 'minority ethnic group', this group consisted of all employees reporting an ethnicity different to white British. This is in line with the government's preferred style when writing about ethnicity.* 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.

* [Writing about ethnicity \(GOV.UK\)](https://www.gov.uk/guidance/writing-about-ethnicity)

UKRI's gender bonus pay gap

The bonus GPG 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 GPG, both the mean and median bonus GPGs are published.

During year ending 31st March 2023, 88.8% of females employed by UKRI received a bonus compared with 87.9% of males. The mean bonus GPG is 15%, an increase of 5 percentage points compared to last year.

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

Senior bands (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 7: UKRI's Bonus Gender Pay Gap 2021 to 2023

	1 April 2020 to 31 March 2021	1 April 2021 to 31 March 2022	1 April 2022 to 31 March 2023	In 2023, the gap has become
Mean bonus gender pay gap	17.1%	10.1%	15.0%	5 percentage points higher
Median bonus gender pay gap	18.0%	0.0%	0.0%	No Change

Table 8: Bonuses awarded to UKRI employees during year ending 31st March 2023 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	34%	29%	£93	£93
In year	20%	17%	£359	£330
End year	87%	86%	£468	£457
Senior bonus	39%	22%	£7,399	£9,613
All bonuses	89%	88%	£671	£789

Notes:

Instant and in year awards are nominated and paid throughout the year. Percentages for instant, in year and end year bonuses are calculated for employees in main bands whereas percentages for senior bonus are calculated for employees in senior bands X and Y. 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 8 shows the average amount and percentage of different types of awards for males and females.

A larger proportion of females received Instant and In Year awards than males, which are of a lower value than senior awards. The percentage of males and females receiving end year awards were similar, however, the average amount was higher for females. The proportion of females receiving a bonus in senior bands was higher than males, however, the mean award amount for senior bonuses was higher for males. It is important to note that the proportion of males in senior bands is higher than females.

Due to bonuses being awarded for performance the bonus GPG will vary year to year. However, a driving force behind this GPG may be the contractual bonus pay arrangements for senior staff in Innovate UK and MRC, which are higher than bonus pay arrangements in the rest of UKRI and which pre-date the formation of UKRI. These 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 2023

Over the past year we have delivered a number of initiatives that are contributing towards narrowing the pay gap. They increase our awareness of the experiences of our staff, support inclusive recruitment to diversify our workforce, drive momentum in creating a more inclusive workplace, and enable the progression of our staff.

- One of the factors influencing the GPG is time taken out of the workforce for family and caring responsibilities. We commissioned research to better understand the experiences of UKRI employees who are planning or transitioning into parenthood, including those who had experienced maternity, adoption, shared parental and other forms of leave. These insights are informing actions, and the development of policies and processes, to enhance support for all working parents.

- Supported the development of our staff networks to enhance their role and impact in creating an inclusive workplace.
- Improved the consistency of Equality Impact Assessments.
- Piloted reverse mentoring in STFC. Minority ethnic employees mentored senior leadership in STFC with a different ethnicity. The program aimed to raise awareness of ethnicity related disparities and build cultural awareness in leadership.
- We launched our leadership development programs for staff in Bands D-H with different levels of leadership experience, and our senior leaders. We took an evidence-based approach to select a cohort to ensure a gender balance was established. These programmes are designed to build the leadership behaviours and mindset that will enable us to achieve our vision for an outstanding research and innovation system.

Evaluation from the first cohort shows that our programs increase promotion, lateral movement and retention.

- We examined the impact of our text analysis tool which aims to remove biased language from job adverts. The analysis shows a positive impact and increase in the diversity of applicants across age, gender and ethnicity where the tool is used in drafting the job advert.
- British Antarctic Survey and MRC Laboratory of Medical Sciences (renewal) successfully achieved Athena Swan Silver award in recognition of their efforts to advance the careers of females and underrepresented groups in their fields.

Next steps

Our workforce EDI plan and Gender Equality Plan sets out our priorities for the next year. We will be reviewing and progressing our work to create a more inclusive and fair organisational culture where all staff can thrive. Specific actions we will be taking are:

Improving our diversity data through a data sharing campaign and set benchmarks for diversifying our workforce across all levels.

Building our evidence base to better understand how we can promote inclusion, advance equality, and tackle barriers to progression for our staff throughout our employee lifecycle.

Piloting inclusive recruitment initiatives to improve recruitment, promotion experience, and enhance the diversity of our workforce.

Continuing to promote gender diversity and inclusion through our leadership programmes and develop our talent offering for underrepresented groups.



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