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LSBU

Ethnicity Pay Gap Report 2023



Ethnicity Pay Gap Summary Data

This report is based on data snapshots of 31 March 2022

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Foreword



As part of our wider commitment to improve the representation of Black, Asian and minority ethnic (BAME) people across the senior levels of our workforce and our commitment to racial equity we monitor our ethnicity pay gap. This is our fourth year of publishing our findings.

It is important to note that LSBU is one of a small number of universities that voluntarily publish their ethnicity pay gap and so the comparisons outlined below only relate to those that have chosen to publish. Increasingly HEIs are reporting on both their gender and ethnicity pay gaps and are actively trying to resolve issues that are identified through this reporting. We have continued to use the term "BAME" following discussions with our EquiNet BAME staff and Allies network.

This report details actions that we have taken over the past year to address pay inequalities and the steps being taken over the next year, including as part of our Race Equality Charter action plan. Reducing the ethnicity pay gaps is a long-term commitment, nevertheless, we were disappointed that our mean and median ethnicity pay gaps increased in the year ending 31st March 2022. In particular, we acknowledge that we need to do more to address the barriers that BAME staff and applicants face in being appointed to senior level positions in our institutions and we will re-double our efforts to understand the causes of the ethnicity pay gaps and eliminate differential outcomes robustly and sustainably.

Alex Bush

Group Chief People Officer
People and Organisational Development

Ethnicity pay gap summary

This report presents the ethnicity pay gap data for London South Bank University (LSBU), using a snapshot of data for 31st March 2022. LSBU has seen some variations in our ethnicity pay gap, however, since 2017 the mean and median ethnicity pay gaps have decreased overall.

The mean ethnicity pay gap reduced in 2020 and 2021, but has risen to 11.87% in 2022, from 9.7% the previous year. This has returned to pre-pandemic levels (in March 2019 the mean ethnicity pay gap was 12.2%) and fluctuations during this time may have been partly attributed to the coronavirus pandemic, which had impacts on staff contracts and working practices.

Mean difference in hourly rate for all staff

Mean	2022	2021	2020	2019	2018	2017
White	25.84	26.20	25.03	24.41	23.85	24.52
BAME	23.10	23.70	22.28	21.43	21.15	20.69
% diff.	11.87	9.7	10.99	12.2	11.35	15.62

Key – higher than previous year, lower than previous year.

Variation in the ethnicity pay gap can also be observed in the median pay gap, which fell between 2020 and 2021 but returned to a comparable level to 2020 in 2022 (14.04% compared to 14.44% in 2021). Whilst tangible progress has been made in reducing the median ethnicity pay gap since 2017, more work is needed to better understand the causes of these fluctuations in median pay to ensure that sustained progress is made.

Median pay gap hourly rate for all staff

Median	2022	2021	2020	2019	2018	2017
White	24.26	25.21	23.91	22.36	21.93	23.36
BAME	21.28	22.69	20.45	20.08	19.68	19.33
% diff.	14.04	9.6	14.44	10.24	9.42	16.42

Key – higher than previous year, lower than previous year.

Despite this year's increase in LSBU's ethnicity pay gaps, our 2022 mean ethnicity pay gap of 11.87% remains below the sector average for 2021/22 reported in the Advance HE Staff Statistical Report 2022. For institutions in London such as LSBU, the sector average mean ethnicity pay gap was 14.7% (UK citizens) and 15.6% (non-UK citizens). However, our median pay gap of 14.04% was above the sector average in London of 12.0% (UK citizens) and 9.4% (non-UK citizens).

The following sections below will breakdown the data further and consider some key actions to take forward to reduce the ethnicity pay gaps.

Terms explained

The mean and median are measures of central tendency within data sets, used as an industry standard to analyse pay gaps. The mean is the average of a set of numbers. It is calculated by adding up all of the values in a data set, and then dividing by the total number of values. The median is calculated by ordering all of the values in a data set from lowest to highest, and identifying the middle value.

Breakdown in ethnicity pay gap data

Academic staff

Compared with the figures for all staff (as shown above), the gap in hourly pay for Academic staff has widened consistently between white and BAME staff since 2018, approximately doubling from 2.67% in 2018 to 10.26% in 2022.

The differences in median hourly pay for Academic staff have also widened consistently, in this case from 10.32% in 2019 to 14.30% in 2020.

Several longer-term actions have already been taken to support academic progression for BAME staff, including participation on external leadership

courses (67% of participants in 2022/23 were BAME and 71% were academics).

Targeted workshops are run for BAME staff considering whether to apply for academic promotion and there are equality impact assessments of promotion outcomes to help identify any specific barriers or issues. However, this is an area where more detailed investigation and action is urgently needed, including to better understand the experiences of academics working in roles at lower grades, such as Hourly Paid Lecturers (HPLs).

Differences in mean hourly pay for Academic staff only

Academic	2022	2021	2020	2019	2018	2017
White	27.19	28.21	27.179	26.641	25.993	26.361
BAME	24.66	26.03	25.385	25.205	25.3	25.078
% diff.	10.26	7.75	6.60	5.39	2.67	4.87

Key – higher than previous year, lower than previous year.

Differences in median hourly pay for Academic staff only

Academic	2022	2021	2020	2019	2018	2017
White	26.41	29.04	27.131	26.27	26.129	27.52
BAME	23.11	25.34	23.984	23.56	25.061	26.05
% diff.	14.30	12.75	11.60	10.32	4.09	-11.53

Key – higher than previous year, lower than previous year.

Professional services staff

For Professional Services Group (PSG) staff, there was a reduction in the mean ethnicity pay gap in 2020 and 2021 but in 2022 much of this progress was lost, with the pay gap increasing from 9.54% in 2021 to 12.47% in 2022. This may suggest that the previous reductions may be linked to the changes in staffing contracts and working practices during the coronavirus pandemic.

There was also an increase in the median ethnicity pay gap in 2022, from 7.42% in 2021 to 7.98% in 2022, however, this was much smaller than the increase in the mean ethnicity pay gap for Professional Services. Further investigation is needed to establish the extent to which this differential increase reflects any pay differences within each grade as well as the proportion of BAME staff in higher graded roles.

Difference in mean hourly pay for PSG staff only

PSG	2022	2021	2020	2019	2018	2017
White	23.86	23.72	22.404	21.539	21.097	21.965
BAME	21.21	21.46	19.795	18.535	18.31	17.97
% diff.	12.47	9.54	11.65	13.95	13.21	18.19

Key – higher than previous year, lower than previous year.

Difference in median hourly pay for PSG staff only

Gender	2022	2021	2020	2019	2018	2017
White	20.22	20.44	19.411	18.586	18.221	19.369
BAME	18.72	18.92	17.546	16.794	16.465	16.203
% diff.	7.98	7.42	9.61	9.64	9.64	16.35

Key – higher than previous year, lower than previous year, unchanged from previous year.

Types of employment

For fixed-term contracts, there had been a sustained reduction in the mean ethnicity pay gap year-on-year between 2018 and 2021, reducing from 20% in 2018 to 6.70% in 2021. In 2022, this gap increased back to 7.85%, reversing the gains in 2021.

In 2022 there was also an increase in the median ethnicity pay gap for fixed-term employees to 1.41%. While this is small compared to the 17.7% pay gap recorded in 2017, the gap has re-emerged following the eradication of this gap in 2020 and a very small increase to 0.15% in 2021.

Difference in mean hourly pay for fixed-term contracts

FTC	2022	2021	2020	2019	2018	2017
White	21.73	22.70	20.491	19.253	19.214	19.764
BAME	20.15	21.18	18.835	17.354	17.031	16.124
% diff.	7.85	6.70	8.08	9.86	11.36	18.42

Key – higher than previous year, lower than previous year.

Difference in median hourly pay for fixed-term contracts

FTC	2022	2021	2020	2019	2018	2017
White	20.20	20.44	19.376	19.034	19.164	19.83
BAME	19.92	20.41	19.376	19.033	18.66	16.321
% diff.	1.41	0.15	0.00	0.01	2.63	17.70

Key – higher than previous year, lower than previous year.

When observing the difference in pay by contract type and contract hours, there has been an increase in the mean and median ethnicity pay gaps for permanent staff as well as fixed term staff. However, permanent staff have seen a larger increase in both ethnicity pay gaps since 2021, compared to fixed-term contact staff. In addition, the mean and median have increased for full-time and declined for part-time staff. As part-time and fixed-term roles usually make a disproportionate contribution to equality pay gaps, these findings should be investigated further.

Previous analysis has shown that existing BAME employees are less likely to be promoted compared to white employees. These findings further suggest that existing, permanent BAME staff need more support to progress through higher grades, for example, through the creation of PSG "career pathways" and further actions around academic promotions.

Difference in mean and median by contract type and contract hours

	Mean		Median	
	2022	2021	2022	2021
Contract type				
Permanent	12.31%	10.02%	14.57%	10.48%
Fixed-term	7.85%	6.7%	1.41%	0.15%
Contract type				
Full-time	12.91%	9.77%	14.59%	10.3%
Part-time	8.9%	11.66%	5.21%	6.62%

Key – larger gap than previous year, smaller gap than previous year.

Pay quartiles

Between March 2021 and March 2022 there were an additional 185 employees at LSBU who disclosed their ethnicity, of whom 100 (54%) were BAME. There has been no change to representation of BAME staff in the upper quartile (top earning roles) suggesting that no progress has been made to diversity staff at the most senior roles. This was despite an increase of 14 BAME people paid in the upper quartile (the number of white people increased by 32).

Further, there has been an increase to the number of appointments of BAME staff at the lower quartile (lowest earning, entry level roles), continuing the imbalance and concentration of BAME staff in lower-level roles. The proportion of BAME people in the lower pay quartile increased by 5% to 51% (an increase of 42 people compared to 5 white people).

There has been one positive change in the representation of BAME staff across the pay scale. In the upper middle quartile (above average pay) the proportion of staff who are BAME has increased by 3%. There is a comparable reduction in the proportion of BAME staff in the lower middle quartile

This increase in the upper middle quartile could suggest upward mobility of BAME staff within middle grade roles. Given the increase in BAME staff at the level below this a focus on nurturing internal talent at this stage could enable LSBU to work towards supporting BAME staff to move into the upper quartile in future years.

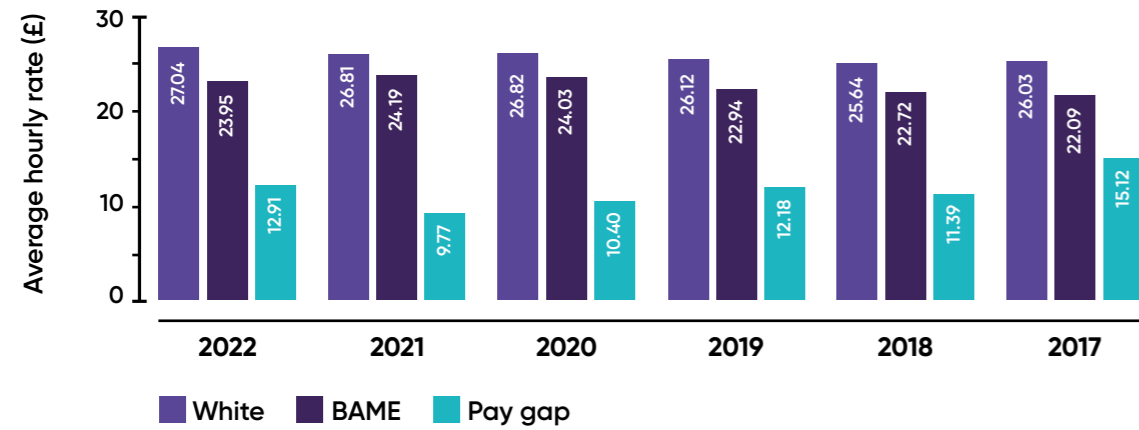
The equality impact assessment of last year's academic promotions process showed that there had been a positive increase on the proportion of BAME staff promoted. The median pay gap did not reduce as a result of this, as many academic staff are at Grade 7 (i.e. paid above the median) prior to promotion. However, any benefit from senior promotions on the gap has been offset by large recruitment at the lowest quartile. A full equal pay audit will be undertaken to help us understand which roles contribute disproportionately to this disparity so that we can develop more targeted actions.

Difference in pay quartiles (2021 -2022)

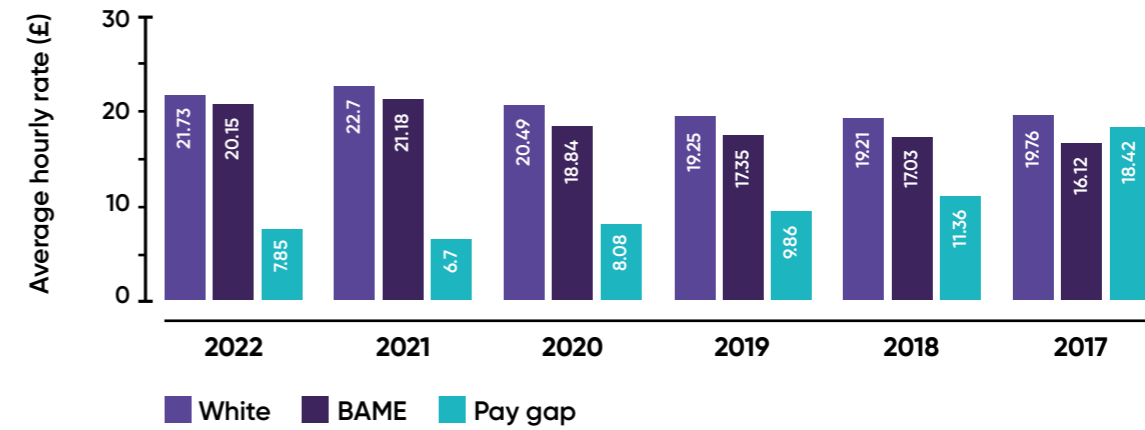
Quartile	2022				2021			
	White		BAME		White		BAME	
	%	Actual	%	Actual	%	Actual	%	Actual
Upper	71	302	29	124	71	270	29	110
Upper Mid	58	247	42	180	61	234	39	147
Lower Mid	54	229	46	198	51	194	49	187
Lower	49	211	51	216	54	206	46	174

Key – higher than previous year, lower than previous year, unchanged from previous year.

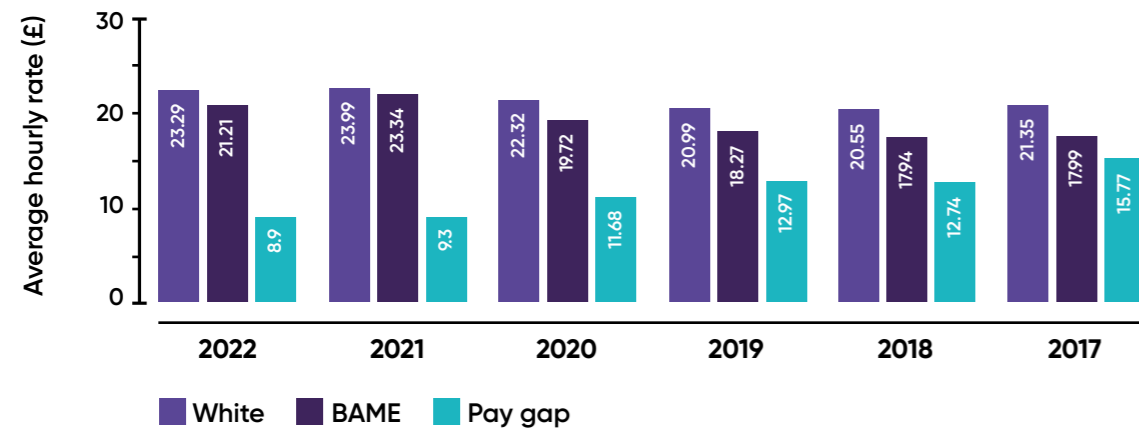
Mean ethnicity pay gap full time staff



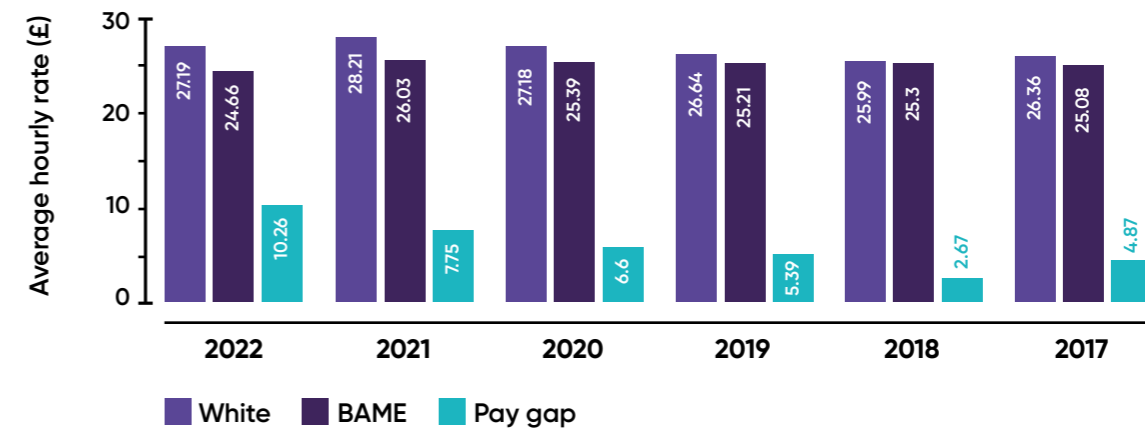
Mean ethnicity pay gap FTC staff



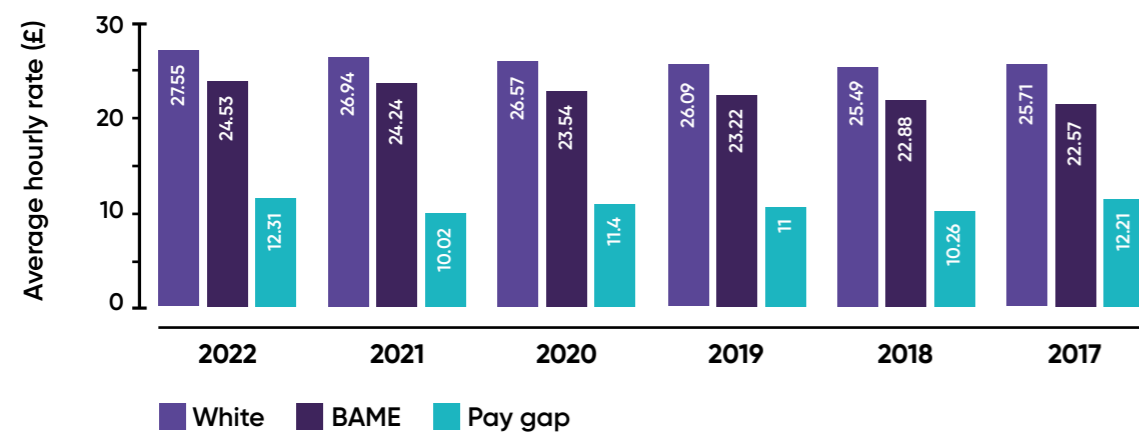
Mean ethnicity pay gap part time staff



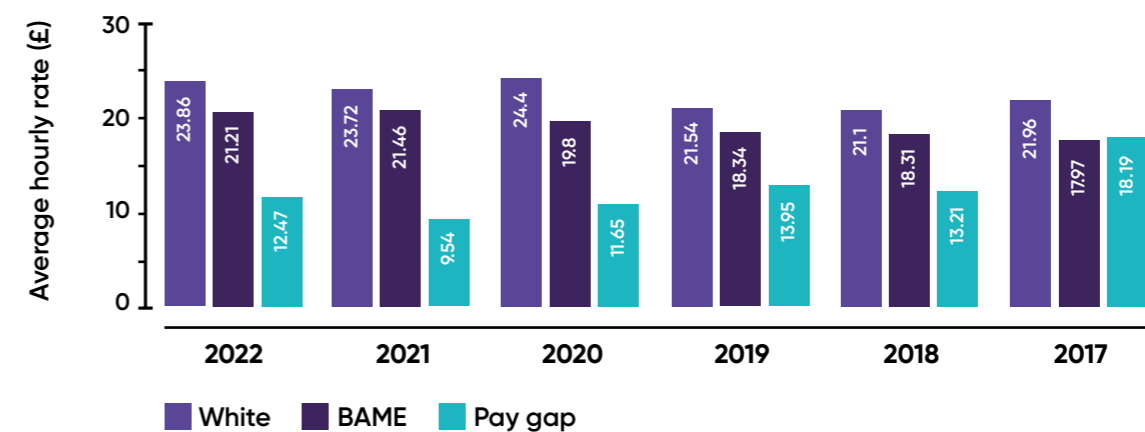
Mean ethnicity pay gap academic staff



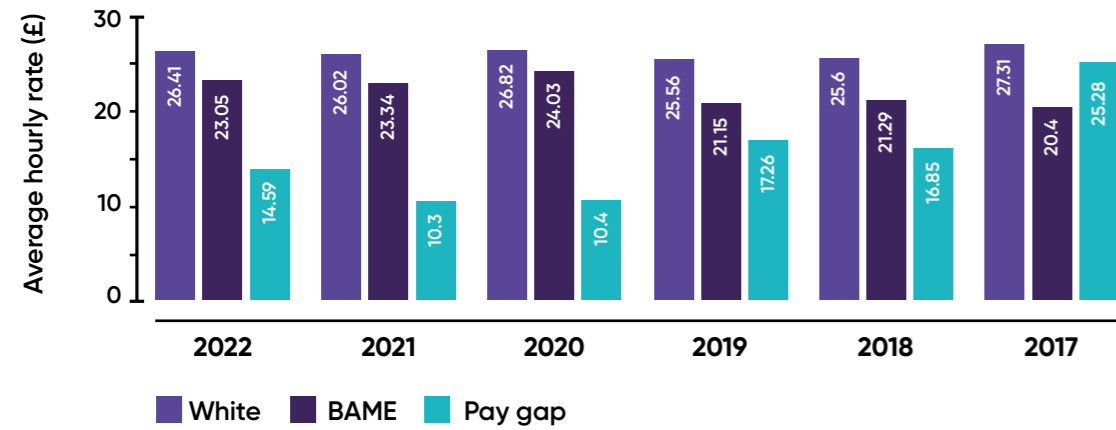
Mean ethnicity pay gap permanent staff



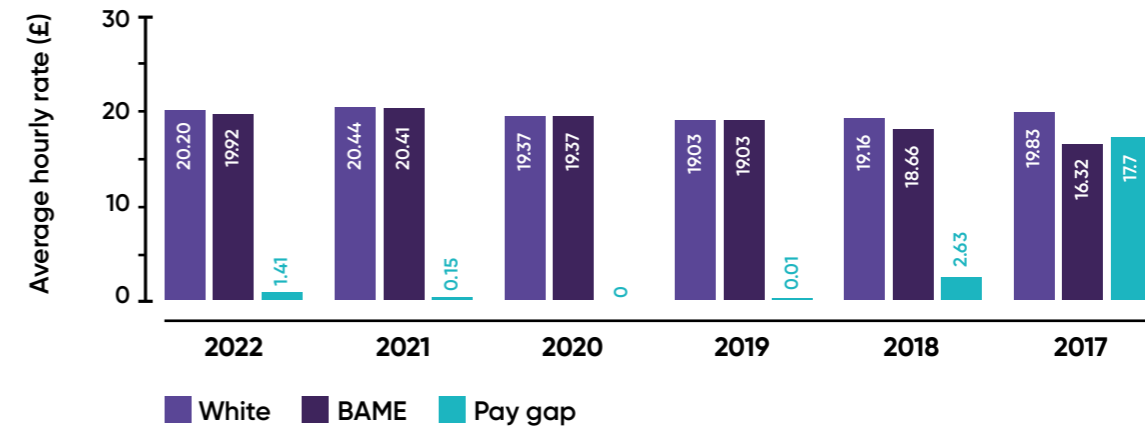
Mean ethnicity pay gap support staff



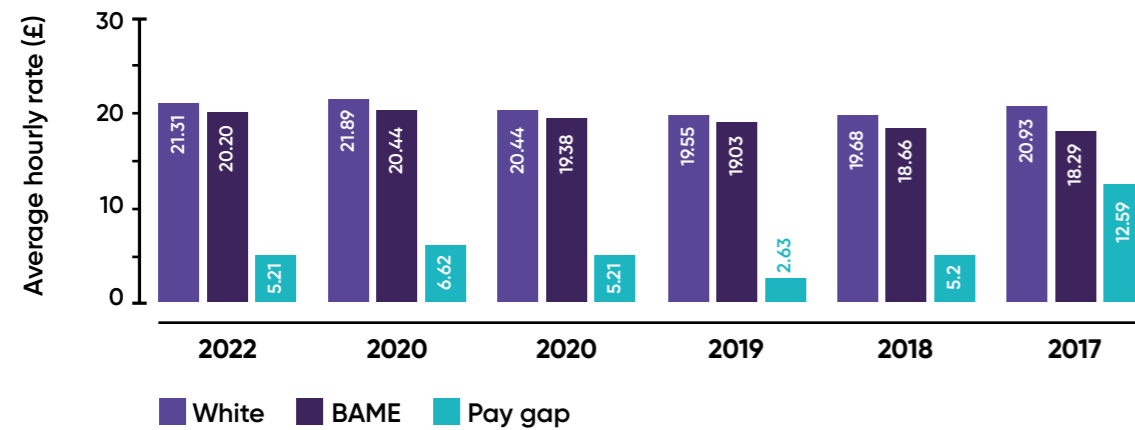
Median ethnicity pay gap full time staff



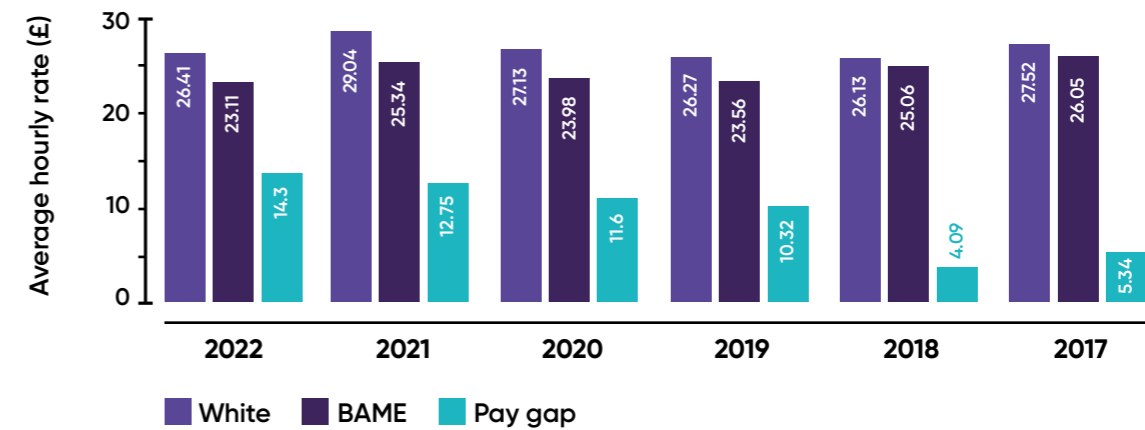
Median ethnicity pay gap FTC staff



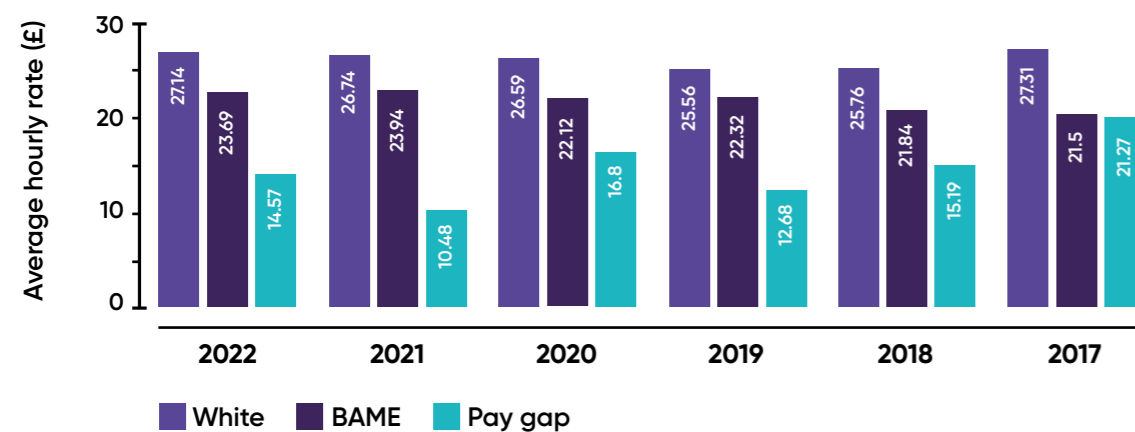
Median ethnicity pay gap part time staff



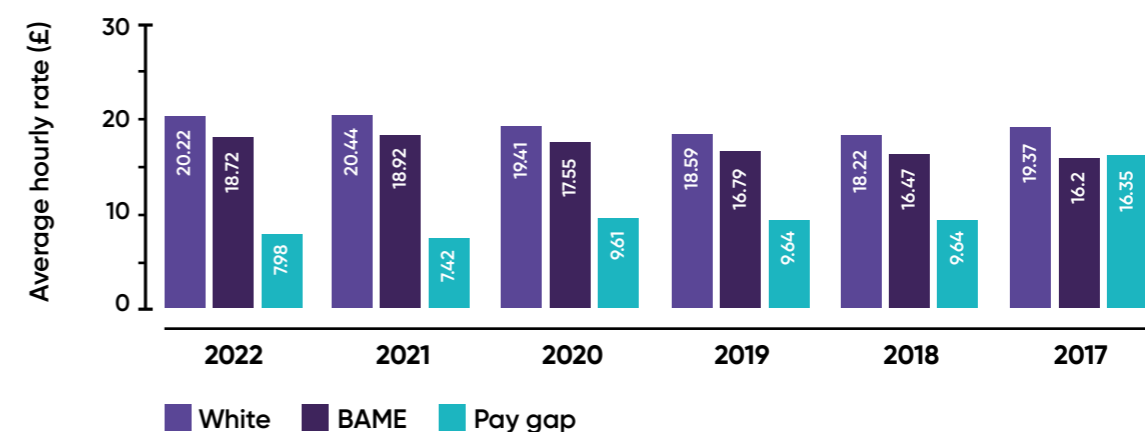
Median ethnicity pay gap academic staff



Median ethnicity pay gap permanent staff



Median ethnicity pay gap support staff



Progress on actions from the Ethnicity Pay Gap Report 2022

What we said we'd do	What we did
Conduct an analysis of our recent race equality survey to explore the staff experience.	The survey results highlighted concerns about experiences of discrimination and diversity and a lack of confidence in recruitment and promotion processes. In 2022/23 we have introduced Bystander training and changed academic promotions process. Further actions in response to the survey's findings have contributed to our Race Equality Charter action plan.
Support staff with leadership development as part of the Advance HE Diversifying leadership programme for BAME staff as well as mentoring support and tracking of career progression.	Twenty-one members of staff were supported on external leadership programmes including Diversifying Leadership during 2022/23. We added follow-up sessions and career tracking in and identified four promotions and appointments to external bodies for colleagues in 2022/23 who had previously completed one of the programmes.
Roll out anti-racism training and measure the impact of behaviour change in the 2022/23 academic year.	We have rolled out team-based anti-racism training sessions across the LSBU Group as part of our work to tackle bullying, harassment and discrimination. Questions to track the impact of our work in this area have been agreed for the staff survey scheduled for October 2023.

What we said we'd do	What we did
Continue to run BAME academic promotion workshops and monitor the outcomes of the annual academic promotion round.	Eight job families have been developed within professional services and these PSG Career Pathways were launched alongside the new appraisal process in June 2023 to support internal career development.
For Professional Services staff, new progression and promotion routes are being explored as part of a wider-ranging package of work through the PSG pathways project which aims to equip LSBU with staff structures that are future ready and inclusive by design.	Eight new "career pathways" within professional services will be launched alongside the new appraisal scheme in June 2023.
As a member of Advance HE's Race Equality Charter, this activity is now being integrated into a comprehensive evaluation of race equality across the institution to demonstrate that we have a solid foundation for eliminating racial inequalities. We will review actions emerging from the Race Equality Charter to see if they can support the work to reducing the ethnicity pay gap.	Our application to Advance HE will be submitted in July 2023. The Race Equality Charter action plan includes several actions that will contribute to reducing the ethnicity pay gap, for example, through additional support for internal progression. However, we also intend to commission a full equal pay review, to ensure that we fully understand our equality pay gaps.

Next steps

- Submit our application to the Advance HE for the Race Equality Charter and complete the work detailed in the charter action plan for 2023/24.
- Conduct a full equal pay audit to improve our understanding of the causes of equality pay gaps and agree targeted actions with the EDI Steering Committee.
- Gather information about the lived experience of different groups of staff, for example, through focus groups with Hourly Paid Lecturers and Let's Talk sessions led by our BAME staff network.
- Review recruitment practices with a focus on the shortlisting and interviewing BAME applicants for senior roles, included when these are recruited through Executive Search Agencies.
- Work with the Provost on the ongoing development of the academic promotions process, including continuing to provide targeted support for potential BAME applicants and monitoring promotions outcomes.
- Monitor the impact of the new career pathways for Professional Services employees by gathering feedback, for example, through focus groups, and monitoring internal promotions.
- Work with EDI Leads to produce more detailed department-specific analyses of ethnicity and work to identify local actions and priorities.

