2018 GENDER PAY GAP REPORT

UCAS

FOREWORD

UCAS supports gender pay gap reporting, believing that transparency promotes the opportunity for positive growth and change.

We endeavour to create a culture where all employees, regardless of gender or any other characteristic, are able to maximise their personal growth and potential.

Our values – customer-focused, collaborative, accountable, service excellence, and trusted – are the foundation of our employees' attitudes, motivations, and expectations, and reflect that how we achieve is as important as what we achieve.

We foster a culture of collaboration and inclusion at every level, and this is evident in the number of women we have in leadership roles at both Executive and senior management level, resulting in a negative mean hourly pay gap at these levels.

However, our gender pay gap data does show there is more work for us to do in encouraging women into some of our technically-skilled roles. Improvement in the gender split within our Analysis & Insights function shows we are moving in the right direction, but this positive change needs to be seen in technically-skilled roles within our other areas too.

Following last year's report, we now have a greater understanding of the reasons behind our gender pay gap, and continue to explore and invest in innovative solutions that will make a positive difference and close the gap.

'At UCAS, we want our people to flourish, perform, and achieve. We work collectively to create an engaging and inclusive culture, where individuals are encouraged to be the best they can be, and where contribution and talent are the only criteria for success.'

CLARE MARCHANT, CHIEF EXECUTIVE

OUR FINDINGS

Table 1 shows our median and mean gender hourly pay gap, and gender bonus gap. This is at the snapshot date of 5 April 2018 for hourly pay. For the bonus gap, calculations encompass the 12-month period prior to 5 April 2018.

Our median gender hourly pay gap has fallen for two years consecutively, from 26.2% in 2016 and 25.4% in 2017, to 25.1% in 2018. At 25.1%, this is higher than last year's national median of 18.4% (ONS).

Our mean gender hourly pay gap has risen from 12.7% in 2017 to 16.6% in 2018 (still below 2016's 17.6%). This means that, on average, we pay men £3.79 more per hour than women.

A main driver for these gaps is our gender distribution among the four pay quartiles. As the upper quartile of hourly rates is close to a 2:1 ratio of men to women, we find that the number of values at this upper range will keep the median for male pay at a higher value than that of female employees. The lower quartile for hourly pay is close to a 1:2 ratio of men to women, so their median value will be lower, causing a larger difference (Fig. 2).

This shows that the distribution of men and women through the pay bands does not reflect the overall gender composition of our workforce (54.4% female, 45.6% male).

TABLE 1

	Mean	Median
Gender hourly pay gap	16.6%	25.1%
Gender bonus gap	16.0%	0.0%

FIG. 1

MEAN HOURLY PAY

PROPORTION OF MALE AND FEMALE EMPLOYEES RECEIVING A BONUS

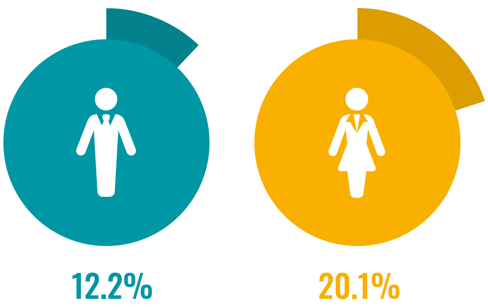
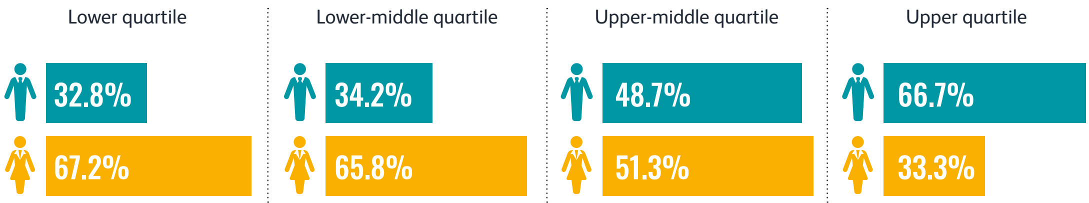


FIG. 2

GENDER DISTRIBUTION PER QUARTILE OF HOURLY RATE



WHY DO WE HAVE A PAY GAP?

There are two main reasons for our gender pay gap:

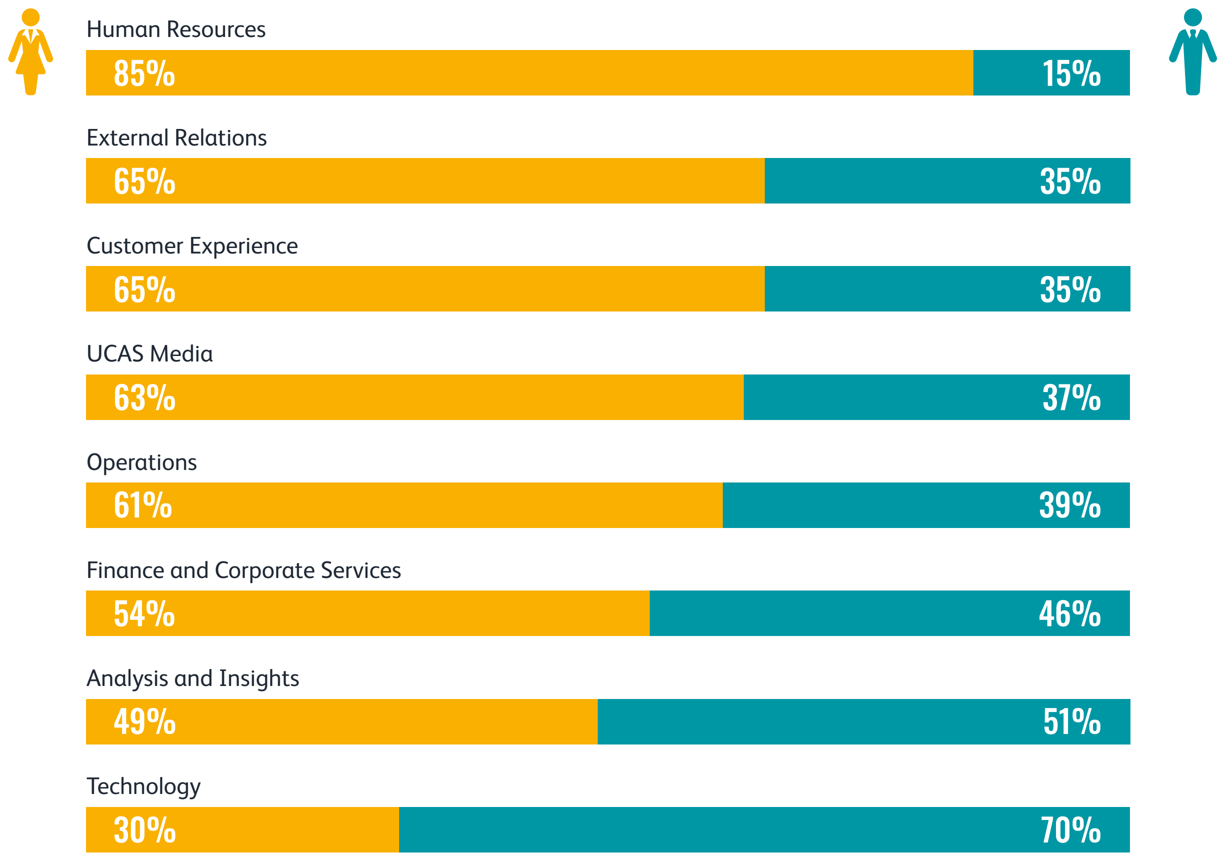
- We have fewer women than men in our Technology business unit.
- We have more women than men in less technically-skilled roles.

By analysing the gender splits of our different areas (Fig. 3), we see that the Technology business unit has a significantly higher proportion of male employees (70% male vs. 30% female). The technically-skilled roles in this business unit command some of our highest salaries, accounting for most of the mean and median pay gaps. Conversely, many of our lower paid roles sit in Human Resources, External Relations and Customer Experience*, areas which are female-dominated.

We have identified that our gender pay gap is mostly due to the higher number of men in our sizeable Technology business unit (113 employees), which follows market trends of being male-dominated. By improving the gender distribution in this area, we will see a reduction in our overall gap.

For instance, if we were to remove Technology from the calculations, we would see our mean hourly pay gap fall from 16.6% down to 9.2%, and the median hourly pay gap fall from 25.1% to 13.5%.

FIG. 3 GENDER SPLIT BY BUSINESS UNIT



*Note: The Customer Experience and Operations business units have now been merged and, as such, will be reported on together in the next cycle (April 2019).

GENDER DISTRIBUTION AND GAP AT SENIOR LEVELS

There are six role levels at UCAS (A – F), each of which has different salary ranges within a role family. By analysing the mean and median gender hourly pay gaps at different levels (Fig. 4), we can see the largest gaps are in the middle tier roles.

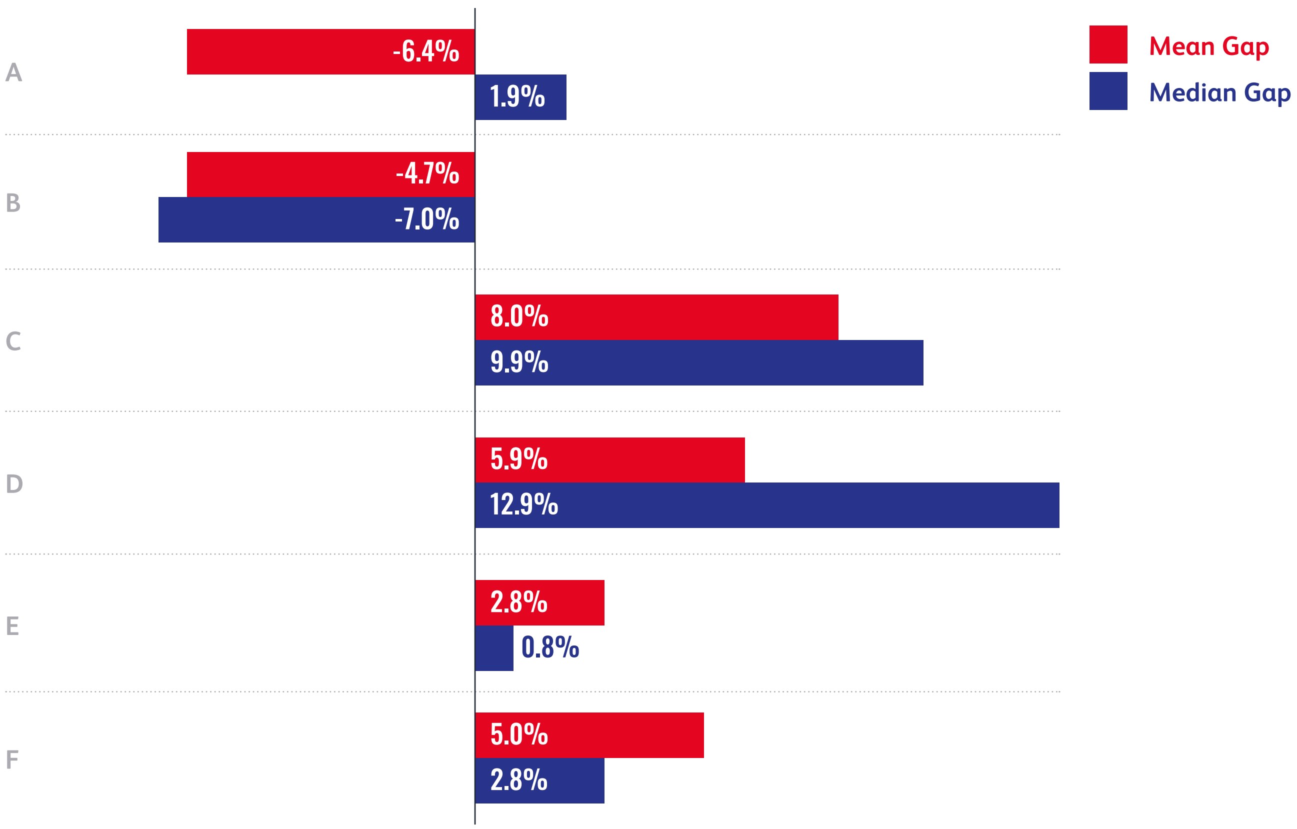
We are confident we have a diverse Executive Team and Senior Management Group. At our most senior level (A), UCAS has a 60% to 40% gender split of female to male. Furthermore, 50% of UCAS' Senior Management Group are female, evidencing that we have, and continue to promote, gender diversity in our senior management structure.

Our two most senior levels (A and B) have negative mean hourly pay gaps of 6.4% and 4.7% respectively. This means that, on average, we pay women at level A £4.06 more per hour than men, and women at level B £1.81 more per hour than men.

Levels C and D have the highest mean hourly pay gaps, of 8% and 5.9% respectively. This means that, on average, we pay men at level C £2.23 more per hour than women, and men at level D £1.19 more per hour than women.

This is because the majority of technically-skilled employees are male, and at levels C and D, supporting our belief that our pay gap is skills-based.

FIG. 4 GENDER HOURLY PAY GAPS BY JOB LEVEL



OUR COMMITMENT

We've already seen a decrease in our median gender pay gap since 2016, but acknowledge this is only the first step to making significant and sustained improvement.

Attracting female applicants to our technically-skilled roles continues to be a significant challenge. The recruitment market for women in STEM (science, technology, engineering, and mathematics) is extremely competitive, with the graduate position also being challenging – only 26% of STEM graduates are female, and in engineering and technology specifically, this figure is just 15%*. Despite this, since the last report, we have already seen an improvement in the gender split in our technically-skilled Analysis & Insights business unit, from 42% female vs. 58% male, to 49% female vs. 51% male.

Our Executive Team and the UCAS Board remain committed to investing in our employee value proposition, and, through the aims and outcomes of our 'People Promise', strive to deliver an improved approach to our talent acquisition, talent development, and how we mobilise and retain our talent.

TALENT DEVELOPMENT

- We will continue to invest in our people and leadership academies, promoting an environment where every individual can recognise and grow their potential.
- In the October 2018 staff survey, we saw an improvement in our leaders living our corporate values. This will remain a key focus, ensuring leaders are setting the basis for a collaborative and inclusive culture, where people can be themselves.

TALENT ACQUISITION

- We will continue to challenge and test our recruitment processes, to eliminate bias and promote inclusivity.
- We have already expanded our successful graduate intern programme, and introduced a new corporate apprenticeship programme. We will develop this further in the coming year.
- We will look to promote our newly improved flexible working and family friendly policies.

TALENT MOBILISATION AND RETENTION

- We will create clear career pathways that are gender neutral, and our talent framework for succession management will be launched in June 2019, making sure we challenge the possibility of bias in career discussions.
- We will promote a flow of talent through the company and beyond, promoting opportunities for career change and development.
- We will continue to explore and invest in our approach to flexible working, focusing on acquiring and retaining the most talented individuals, without being bound by where and when they work.
- We will continue to review our policies, ensuring equality and fairness, and making sure we are eliminating bias from our processes.

*www.wisecampaign.org.uk/statistics/core-stem-graduates-2018