



## Equal Pay Statement 2023

**(Incorporating:**

- **a statement on equal pay;**
- **gender, disability and ethnicity pay gap information; and**
- **information relating to occupational segregation for gender, disability and ethnicity)**

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## Section 1 - Background

**1.1** The public sector equality duty requires public authorities to take a proactive and organised approach to tackling institutional discrimination, and aims to mainstream equality into public bodies in practical ways. The public sector equality duty covers the following protected characteristics: age, disability, gender, gender reassignment, pregnancy and maternity, ethnicity, religion or belief, sexual orientation and marriage and civil partnership, with regard to eliminating unlawful discrimination in employment.

The public sector equality duty has a general duty which sets out requirements for all public authorities and those bodies exercising a public function, and specific duties, which place additional requirements on listed public authorities. UHI Moray falls under this category.

### **1.2 General duty**

The general equality duty requires public authorities, in the exercise of their functions, to have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation, and other prohibited conduct;
- Advance equality of opportunity between people who share a relevant protected characteristic and those who do not; and
- Foster good relations between people who share a protected characteristic and those who do not.

### **1.3 Specific duties**

The specific duties in Scotland were created by secondary legislation in the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012. The specific duties set out in this legislation came into force on 27 May 2012 and were subsequently amended by:

- The Equality Act 2010 (Specific Duties) (Scotland) Amendment Regulations 2015
- The Equality Act 2010 (Specific Duties) (Scotland) Amendment Regulations 2016

Two elements of the specific duties came into force for the first time in 2017. These required that all listed bodies to include ethnicity and disability considerations alongside gender in their Equal Pay and Occupational Segregation published information every 4 years.

Therefore, UHI Moray is required to publish the following every 4 years:

- a statement on equal pay which must have due regard to women and men, people who are disabled and those that are not and people who fall into a minority racial group and those that do not.
- Information on occupational segregation relating to grades and occupations of women and men, people who are disabled and those that are not and people who fall into a minority racial group and those that do not.

UHI Moray is required to publish the following every 2 years:

- Gender pay gap information

UHI Moray has, for a number of years, published this information annually.

## Section 2 – Equal Pay Statement

**2.1** UHI Moray is committed to the principles of equal pay for all employees. Whilst our pay awards and allowances are now determined nationally, we have operated a single job evaluation scheme for support staff posts to measure the relative value of all jobs in our pay and grading structures within an overall framework that is consistent, transparent and fair. This too is shortly to be replaced by a National Job Evaluation Scheme in furtherance of national bargaining arrangements described in section 2.5, with the outcomes being backdated to 1 September 2018. We aim to eliminate any bias in our local pay systems. UHI Moray believes males and females, those from different racial groups, those with or without disabilities, those of different sexual orientations, different religions or beliefs and different ages should receive equal pay for the same or broadly similar work, for work rated as equivalent and for work of equal value.

**2.2** We aim to reflect equal pay with respect to remuneration, development and career progression for all staff in ensuring that the level of reward is appropriate to the relative size and content of the job. It is in the interests of UHI Moray to ensure that we have fair and just pay systems. UHI Moray will continue to impact assess any local pay practices and take appropriate action to ensure that it provides equal pay.

**2.3** We believe that by eliminating bias from our pay systems, we demonstrate best practice and commitment to our employees and students through equitable, fair and transparent reward mechanisms whilst effectively managing UHI Moray's finances. We believe these efforts in avoiding unfair discrimination will ultimately improve morale and enhance College effectiveness and efficiency in fulfilling its strategy and contribute to our mission, vision and values.

**2.4** Our equal pay objectives are to:

- eliminate any unfair, unjust or unlawful local practices that impact on pay
- take appropriate action to address these accordingly
- regularly monitor and review the application of its policies and procedures and;
- to conduct regular equal pay reviews including gender, ethnicity and disability.

### **2.5 National Bargaining**

UHI Moray became a signatory to the National Joint Negotiating Committee in 2015 and, as such, pay awards and amendments to relevant terms and conditions are now determined through National Bargaining. As the National Bargaining arrangements separate support and teaching negotiations (and consequent agreed pay adjustments), the analysis which follows reflects this.

### **2.6 Living Wage Accreditation**

Whilst UHI Moray has implemented the Living Wage for employees for some years, the College became an Accredited Living Wage Employer during 2016. The impact of the implementation of the Living Wage has, to date, ensured a more generous percentage increase to those posts evaluated on the lowest scale point in the salary model than those scale points above.

## Section 3 – Equal Pay Audit Background and Methodology

**3.1** The Equality and Human Rights Commission (EHRC) recommends an equal pay audit as the most effective way of establishing whether an organisation is providing equal pay, rewarding employees fairly in practice and promoting equal pay under the terms of the equality duties. This report provides an overall pay gap by gender, disability status and ethnicity then considers these protected characteristics by grade to identify any gaps between staff doing work rated as equivalent in relation to the protected characteristics of gender, disability status and ethnicity.

**3.2** A key assumption underpinning this analysis is that staff in the same pay grade are doing equal work or work of equal value. This is based on the fact that support posts have been allocated to pay grades using a job evaluation system. The grade structure was devised following a full job evaluation exercise undertaken over 2010 and 2011 using the NorthgateArinso system, Evaluate – an analytical job evaluation tool. This tool has been utilised on a consistent basis since that time to evaluate any new posts. As national negotiations are undertaken separately for support and teaching staff, and pay adjustments emerging can differ, the analysis is provided for all staff then split into teaching and support.

**3.3** The approach taken for this review was to compare average hourly rates firstly across all pay grades then within in each pay grade to identify any pay gaps for all contracted staff. If significant pay gaps were identified, analysis was carried out to identify possible contributory factors. Throughout the report, the term significant is used to mean gaps in excess of 5%.

**3.4** UHI Moray's system for pay progression within grade is clearly defined and there is limited scope for discretion. The only area where managers have discretion to offer higher salaries than the minimum of the grade is for new appointments or internal promotions and these are determined with reference to a process involving not less than two people, one of which is an HR representative.

**3.5** All contracted staff are considered in this report and information is extracted from data from the March 2023 payroll. Where individuals hold a number of different roles with different grades, they have been counted for each different role.

## Section 4: Moray College Pay Gap Information

As stated above this report provides an overall pay gap by gender, disability status and ethnicity then considers these protected characteristics by grade to identify any gaps between staff doing work rated as equivalent. Each of the protected characteristics is considered in turn with the overall pay gap then the gap by grade being detailed.

### 4.1 Gender

**Table 1: Overall Gender Pay Gap**

	Female	Male	2023 Pay Gap %
<b>All Staff</b>			
<b>Average Hourly Rate</b>	18.55	21.15	12.3%
<b>Median Hourly Rate</b>	15.18	21.95	30.8%

Using this formula, the average gender pay gap for UHI Moray when considering all contracted staff across all grades is 12.3%. Given that this figure exceeds 5% then further investigation is required and the detailed average gender pay gap by grade demonstrates that there are no significant gaps within grade.

**Table 2 – Average Gender Pay Gap by Grade: Support Staff**

		Comments
<b>LW SCP</b>	-	Fixed Point, one postholder
<b>Grade 1, SCP 1</b>	0%	Fixed Point
<b>Grade 2, SCP 2 - 5</b>	-	All postholders female
<b>Grade 3, SCP 6 - 9</b>	0.9%	
<b>Grade 4, SCP 10 - 13</b>	0.1%	
<b>Grade 5, SCP 14 - 17</b>	0.3%	
<b>Grade 6, SCP 18 - 21</b>	0%	
<b>Grade 7, SCP 22 - 25</b>	0%	
<b>Grade 8, SCP 26 - 29</b>	3%	
<b>Grade 9, SCP 30</b>	0%	Fixed Point
<b>Grade 10, SCP 31</b>	-	No postholders
<b>Grade 11, SCP 32</b>	-	Fixed Point, one postholder
<b>Grade 12, SM3</b>	0%	Fixed Point
<b>Grade 13, SM2</b>	-	Fixed Point, one postholder
<b>Grade 14, SM1</b>	-	Fixed Point, one postholder

**Table 3 – Average Gender Pay Gap by Grade: Teaching Staff**

		Comments

<b>NPS 1 - 5</b>	-0.5%	
<b>Level 1</b>	0%	Fixed point
<b>Level 2</b>	0%	Fixed point
<b>Level 3</b>	-	All postholders female

Using this method, it is clear that analysis by grade, split into support and teaching staff, shows that there is little or no pay difference between men and women doing work of equal value.

As the maximum variance is 3% no further analysis is required. Tables 1, 2 and 3 together demonstrate the presence of occupational segregation.

#### 4.1.1 Changes to the Gender Pay Gap

The overall average gender pay gap in 2022 was 13.8%. This is now 12.3% in 2023. It is clear when considering the median hourly rates that occupational segregation plays a large part in this.

#### 4.1.2 Comparison with other organisations

The UK gender pay gap for full and part time staff, as reported by ONS, was 14.4% in 2022. The UHI Moray average pay gap still compares favourably against this.

#### 4.1.3 Causes of remaining gaps

As is mentioned above, occupational segregation is one of the main causes of the gender pay gap. Occupational segregation is frequently linked to traditions and stereotypes and also the value which is placed upon work which is traditionally considered to be 'woman's work'.

## 4.2 Ethnicity

**Table 4: Overall Ethnicity Pay Gap**

	White	Ethnic Minority Groups	Pay Gap
<b>All Staff</b>			
<b>Average Hourly Rate</b>	£19.44	£17.30	12.4%
<b>Median Hourly Rate</b>	£12.68	£14.45	-12.2%

Comparing the hourly rate for staff categorised as white against that of those categorised as belonging to ethnic minority groups provides an average ethnicity pay gap for UHI Moray of -12.4% when considering all contracted staff across all grades. Whilst it is noted that this figure does exceed 5% to require further analysis, it is also noted that the number of individuals categorised as belonging to ethnic minority groups calls in to question the statistical relevance of further examination.

**Table 5 – Average Ethnicity Pay Gap by Grade: Support Staff**

		Comments
<b>LW SCP</b>	-	Fixed Point, one postholder
<b>Grade 1, SCP 1</b>	-	Fixed Point, All postholders white
<b>Grade 2, SCP 2 - 5</b>	-	All postholders white
<b>Grade 3, SCP 6 - 9</b>	-	All postholders white
<b>Grade 4, SCP 10 - 13</b>	-0.1%	
<b>Grade 5, SCP 14 - 17</b>	-0.1%	
<b>Grade 6, SCP 18 - 21</b>	-	All postholders white
<b>Grade 7, SCP 22 - 25</b>	-	All postholders white
<b>Grade 8, SCP 26 - 29</b>	-	All postholders white
<b>Grade 9, SCP 30</b>	0	
<b>Grade 10, SCP 31</b>	-	No postholders
<b>Grade 11, SCP 32</b>	-	Fixed Point, one postholder
<b>Grade 12, SM3</b>	-	Fixed Point, All postholders white
<b>Grade 13, SM2</b>	-	Fixed Point, one postholder
<b>Grade 14, SM1</b>	-	Fixed Point, one postholder

**Table 6 – Average Ethnicity Pay Gap by Grade: Teaching Staff**

		Comments
<b>NPS 1 - 5</b>	-2.4%	
<b>Level 1</b>	0%	Fixed Point, All postholders white
<b>Level 2</b>	0%	Fixed Point, All postholders white
<b>Level 3</b>	-	Fixed Point, All postholders white

Using this method, it is clear that analysis by grade, split into support and teaching staff, shows that there is little or no pay difference between those staff identified as white as those as belonging to ethnic minority groups doing work of equal value.

#### **4.2.1 Changes to the Ethnicity Pay Gap**

The UHI Moray average Ethnicity Pay Gap has very much fluctuated from positive pay gaps to negative pay gaps and this is due to the very small numbers in the groups considered. This makes quantitative interpretation difficult.

#### **4.2.2 Comparison with other organisations**

ONS report the 2022 UK ethnicity pay gap to be 18.5%. Both our average and median ethnicity pay gaps compare favourable to this. It is the case that the statistical issues evident in our reporting would impact upon any comparison.

### 4.2.3 Causes of remaining gaps

Traditionally elements which can contribute to the ethnicity pay gap can be considered in two forms; minorities entering lower paid occupations or experiencing barriers to higher paid occupations and minorities being paid less for the same work. The table above would demonstrate that minorities are not paid less for the same work. Also, within UHI Moray different processes and procedures are applied on a consistent basis to ensure that any potential barriers to employment are removed. This is considered through the ongoing impact assessment of policies and procedures.

### 4.3 Disability

**Table 7: Overall Disability Pay Gap**

	No Disability	Disability	Pay Gap
<b>All Staff</b>			
<b>Average hourly rate</b>	£19.19	£21.38	-10.2%
<b>Median hourly rate</b>	£12.27	£27.69	-55.69%

Using this formula, the disability pay gap for UHI Moray when considering all contracted staff across all grades is -10.2% although it must be noted that small numbers do have an impact of statistical significance. Given that this figure exceeds a 5% difference then further investigation is required as detailed below:

**Table 8 – Average Disability Pay Gap by Grade – Support Staff**

	Disabled/Not Disabled	Comments
<b>LW SCP</b>	-	Fixed Point, one postholder
<b>Grade 1, SCP 1</b>	0%	Fixed Point
<b>Grade 2, SCP 2 - 5</b>	-0.2%	
<b>Grade 3, SCP 6 - 9</b>	-0.6%	
<b>Grade 4, SCP 10 - 13</b>	-0.1%	
<b>Grade 5, SCP 14 - 17</b>	-0.2%	
<b>Grade 6, SCP 18 - 21</b>	0%	
<b>Grade 7, SCP 22 - 25</b>	-	No disabled postholders
<b>Grade 8, SCP 26 - 29</b>	-	No disabled postholders
<b>Grade 9, SCP 30</b>	-	Fixed Point, no disabled postholders
<b>Grade 10, SCP 31</b>	-	No postholders
<b>Grade 11, SCP 32</b>	-	Fixed Point, one postholder
<b>Grade 12, SM3</b>	0%	Fixed Point
<b>Grade 13, SM2</b>	-	Fixed Point, one postholder
<b>Grade 14, SM1</b>	-	Fixed Point, one postholder



**Table 9 – Average Disability Pay Gap by Grade: Teaching Staff**

		Comments
<b>NPS 1 - 5</b>	-1.4%	
<b>Level 1</b>	0%	Fixed point
<b>Level 2</b>	0%	Fixed point
<b>Level 3</b>	0%	Fixed point

Using this method, it is clear that analysis by grade shows that there is little or no pay difference between those individuals who declare a disability and those who do not who are doing work of equal value in each staff grouping.

#### **4.3.1 Changes in the Disability Pay Gap**

The overall average disability pay gap has reduced from 13.8% in 2022 to 10.2% in 2023 and it is clear that within grade the gap is not significant. It should be noted however that, again, low numbers may affect the statistical relevance here. In all cases where there is a gap within grade then this is a negative gap in the disabled staff members favour. This might be a consequence of UHI Moray’s commitments under the Disability Confident Scheme.

#### **4.3.2 Comparison with other organisations**

Again, whilst UHI Moray calculated and published the disability pay gap since 2015 it was not a legal requirement to do so and so it remains difficult to source comparative data from other organisations. It is also the case that the statistical issues evident in our reporting would impact upon any comparison.

#### **4.3.3 Causes of remaining gaps**

The higher proportion of disabled staff are within the lecturer role, which has a higher hourly rate than the average for the college, which contributes to the overall negative pay gap.

## **Section 5 – Occupational Segregation**

### **5.1 What is occupational segregation?**

Occupational segregation has been defined as the concentration of men and women, people who are disabled and those that are not or people who fall into a minority racial group and those that do not within (i) different types of roles occupational groups or jobs - this is known as horizontal occupational segregation or, (ii) different grades – this is known as vertical segregation.

Occupational segregation is one of the barriers which prevents women, people who are disabled and people who fall into a minority racial groups from fulfilling their potential in the labour market. It is considered that this can have a damaging effect on the economy by failing to make the most efficient use of the potential workforce, contributing to persistent skills deficits and holding back increased productivity.

### **5.2 Occupational segregation in UHI Moray, causes and consequences**

### 5.2.1 Methodology

Moray College's staffing structure is defined by different specialisms and functions, detailed through published organisational structures. In order to review both horizontal and vertical integration, the published structure has been examined by pay grade and gender, ethnicity and disability.

### 5.2.2 Gender

It is known that women tend to be concentrated in the lower paid jobs (e.g. caring, catering, cleaning, clerical, cashiering) and the lower grades within an organisation. Occupational segregation contributes to the gender pay gap. Causes of occupational segregation can be gender stereotyping, under-valuing of roles predominately filled by one gender and also the impacts of inflexible working practices.

#### **Vertical Integration (the concentration of women in low paid and low status jobs)**

The overall staff population within Moray College is predominantly female over two thirds of our staff being female. This is compared to the local population gender balance of 51% female as detailed in the Moray area 2011 Scotland Census.

Occupational segregation can result in the existence of a 'glass ceiling' where management roles within an institution are predominantly filled by male employees. The following table provides the trend in relation to gender ratio of the senior posts in UHI Moray.

**Table 10: Senior mgt roles by gender (ratio f:m)**

Year	2013	2017	2020	2022	2023
Ratio f:m	8:7	10:6	13:5	6:3	6:3

The trend over a period has been the non replacement of senior roles and rather the introduction of roles below senior management, however these figures demonstrate a senior management structure in line with the staffing profile.

It is a slowly improving picture and the rate of improvement has likely been contributed to by the small number of posts and level of turnover at that level rather than the existence of barriers, deliberate or otherwise, to the progression of females.

**Table 11 – Gender breakdown as a percentage of support staff in grade**

	Females	Males
<b>LW SCP</b>	100%	
<b>Grade 1, SCP 1</b>	71%	29%
<b>Grade 2, SCP 2 - 5</b>	100%	0%
<b>Grade 3, SCP 6 - 9</b>	73%	27%
<b>Grade 4, SCP 10 - 13</b>	93%	7%
<b>Grade 5, SCP 14 - 17</b>	71%	29%
<b>Grade 6, SCP 18 - 21</b>	27%	73%
<b>Grade 7, SCP 22 - 25</b>	82%	18%

<b>Grade 8, SCP 26 – 29</b>	66%	33%
<b>Grade 9, SCP 30</b>	50%	50%
<b>Grade 10, SCP 31</b>	-	-
<b>Grade 11, SCP 32</b>	100%	
<b>Grade 12, SM3</b>	67%	33%
<b>Grade 13, SM2</b>	-	100%
<b>Grade 14, SM1</b>		100%

**Table 12 – Gender breakdown as a percentage of teaching staff in grade**

	<b>Females</b>	<b>Males</b>
<b>NPS 1 - 5</b>	54%	46%
<b>Level 1</b>	83%	17%
<b>Level 2</b>	50%	50%
<b>Level 3</b>	100%	0%

When comparing the percentages of males and females in each grade it is clear that there are higher percentages of females in all grades except grade 6 (where there are roles which associated with IT and construction). There are far fewer opportunities above grade 8 and turnover, particularly at that level in UHI Moray, is very low.

#### **Horizontal Integration (the occupational segregation of women and men in different occupational groups)**

Women and men tend to work within gender segregated occupations and the jobs that are most likely to be carried out by women, tend to be those associated with low pay. These occupations are often referred to as the '5 Cs (cleaning, clerical, cashiering, catering and caring). When considering the staffing profile in terms of roles, it is noted that almost all postholders within the following posts are female:

- Cleaner
- Clerical Assistant
- Nursery Assistant
- Nursery Nurse
- Student Services Assistant
- Administration Assistant
- Assistant Finance Officer
- Learner Support Worker
- Vocational Training Adviser

It would appear that like most organisations, the continued existence of gender specific roles prevails.

#### **5.2.3 Ethnicity**

Whilst the internal statistical information available to UHI Moray and the small numbers of minority ethnic staff, make it difficult to arrive at firm conclusions on the basis of data, it is

important that thorough impact assessments and reviews take place to ensure that the potential barriers to those staff and potential staff are removed.

Ethnicity occupational segregation can occur as a result of practices such as poor recruitment practices, for example, when overseas qualifications are not assessed or under assessed, promotions are based on factors other than merit, and there is subjective succession planning. Organisational culture can have a huge impact, particularly in relation to the impact of stereotyping and assumptions about organisational 'fit' and also language difficulties.

#### **Vertical Integration (the concentration of those of minority ethnicity in low paid and low status jobs)**

Notwithstanding the concerns regarding the statistical relevance of the ethnicity pay data, and in common with the findings of previous analysis, it is noted that there are no non white staff members in role which are below grade 4 in the UHI Moray structure. The small number of ethnic minority staff are most prevalent in the grades where there is a specific qualification or specialism requirement.

#### **Horizontal Integration (the occupational segregation of those with different ethnicities in different occupational groups)**

It is also noted that there is no Non White staff members in any grades above the lecturer grade, which might suggest that progression above this grade should be examined to ensure that there are no subconscious barriers to progression for those of Non White ethnicity, although again, the low numbers here have a potential impact.

#### **5.2.4 Disability**

Disability occupational segregation can occur as a result of practices such as poor recruitment practices and failures to make reasonable adjustments for those in higher paid jobs. Promotion prospects can be impacted for disabled staff by promotions being based on factors other than merit, and an expectation that those in higher paid posts will work longer hours. Again, organisational culture can have a significant impact, where the focus should be on positively supporting those with disabilities to attain and retain employment. To this end the College has transitioned from the previous 'Positive About Disabled People' Accreditation to the 'Disability Confident' Scheme. We are therefore committed to demonstrating progression and taking positive action to attract, recruit and retain disabled people.

#### **Vertical Integration (the concentration of those with disabilities in low paid and low status jobs)**

Again, it is difficult to arrive at firm conclusions in relation to the data given that numbers and therefore percentages are low.

#### **Horizontal Integration (the occupational segregation of those with disabilities in different occupational groups)**

It is not so evident that there is a concentration of those with disabilities in any particular occupational groups in the college. It would be the case that there are roles that may be more difficult to adapt for particular disabilities (for example a disability affecting mobility in the Site Assistant role) but the college is committed to considering reasonable adjustments for both prospective and current staff members with disabilities.

## **Section 6. Conclusion**

The Equal Pay Audit demonstrates that staff within UHI Moray are paid equal pay for work rated as equivalent through the local job evaluation scheme. It is evident however that the effects of occupational segregation have an impact on the staffing structure and the cross college gender pay gap.

When considering the causes of occupational segregation it is clear that such societal norming will not be addressed to immediate effect. However, UHI Moray recognises that equal pay and occupational segregation need to be considered in tandem. The following has already been considered in relation to steps taken to address equal pay:

- Pay Structures: all new support posts in the college are subject to Job Evaluation to determine grading. The grading structure has a number of fixed points but also grades which have 4 scale points. This is an area of change however as a result of the separate national bargaining arrangements for teaching and support staff and also the forthcoming implementation of a national job evaluation scheme for support staff posts. These factors are likely to impact upon the data for the next reporting cycle.
- Progression through the grade is very clearly defined and has very limited opportunity to deviate from this process.
- The starting point for new starts onto a grade is subject to a process which involves at least two people.
- The impact of length of service in relation to progression through the grade is limited to 3 years for support staff roles.
- Whilst the opportunity to apply market forces exists, this is not currently in use and, in any event, would require evidential support and authorisation by the Principal.
- There are no PRP provisions in place.
- The college operates a significant number of flexible working practices and a Flexible Working Procedure is in place.
- Many college roles are term time and part time.
- The college operates a Parental Support Procedure.
- HR Procedures are impact assessed as part of the review cycle.