

Gender pay gap report 2019



UKAEA introduction

The United Kingdom Atomic Energy Authority (UKAEA) is an executive non-departmental public body that reports to the Department for Business, Energy and Industrial Strategy (BEIS). Its main business is the management of the UK's magnetic confinement fusion research programme and the operation of the Joint European Torus (JET) facility under contract to the European Commission. It also operates the UK fusion facility the Mega Amp Spherical Tokamak (MAST). UKAEA is working to transfer current leading-edge technologies to UK industry, winning contracts in collaboration with UK industry and universities with several facilities such as our Remote Applications in Challenging Environments (RACE) facility and our Materials Research Facility (MRF). We have just opened a new

apprentice training centre for engineering technicians. Two other new facilities (FTF and H3AT) will support UK industry and help to secure around £1 billion in contracts from ITER and other global fusion projects.

UKAEA's most recent programme, Spherical Tokamak for Energy Production (STEP), is a staged programme to design and build the world's first compact fusion energy reactor, based on the spherical tokamak.

UKAEA has an international reputation for cutting edge science and engineering and plays an important part in sustaining the UK's science and technology capability.

We value our employees and the contribution they make. We make every effort to pay them fairly for the work they do within the pay constraints that we have as a public sector body. We aim to create an environment where there are equal opportunities for all our employees so they can fulfil their potential and contribute to UKAEA's success, irrespective of their gender.

We could not deliver our vital mission without the ingenuity and dedication of our employees.

We are committed to pay them fairly within the pay constraints that we have as a public sector body.

We aim to foster an environment and a culture where everybody can do their best and contribute to our success. Only through diversity and inclusion can we enable brilliant people to achieve brilliant things.

We are committed to allowing equal opportunities for all our employees irrespective of their gender.

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The **gender pay gap** is a measure that shows the difference in average pay between men and women. Because different jobs are paid differently and the number of women performing these jobs varies, a gender pay gap may exist. This is different from equal pay.

Equal pay is the difference in pay between men and women who carry out the same or similar jobs.

The gender pay gap does not show differences in pay for comparable jobs and so is not an indicator of unequal pay. UKAEA regularly carries out equal pay comparisons and thoroughly investigates any pay discrepancies between male and female employees doing comparable jobs. The Hay job evaluation system we use is widely recognised as a robust tool for establishing the size of different jobs. We are confident that men and women at UKAEA are paid equally for doing equivalent jobs. Employees at snapshot date

Employees at snapshot date

Women

Men

Gender pay gap

Mean (average)

Median

16.8% 26.1%

Gender bonus gap

Mean (average)

Median

Proportion of Women and Men receiving a bonus - in 12 months preceding 5 April 2019





The regulations require us to report on the following:

- Mean and median difference between male and female employees (gender pay gap).
 This is the difference in the hourly rate of pay of all male and female employees irrespective of their role. The hourly rate of pay must include items specified in the regulations such as basic pay, various allowances and shift pay.
- Mean and median gender bonus gap.
- Proportion of females and males receiving bonus payments.
- Proportion of females and males in each quartile pay bands (these are pay bands as defined in the legislation, not UKAEA pay bands).

Key findings

At UKAEA the mean gender pay gap is 16.8% and the median is 26.1%. This is a slight decrease compared with the UKAEA gender pay gap in 2018 when the mean was 17.4% and the median was 26.6%.

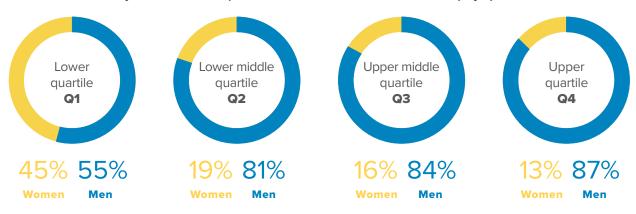
Analysis shows that the main reason for this gap is the low proportion of women in our science, technology and engineering job roles and the high proportion of women in business support roles. Key findings are:

- Women make up just 23% of UKAEA employees. This is in keeping with national averages for STEM (Science, Technology, Engineering and Mathematics) job sectors.¹
- Of these 23%, less than half (40%) work in science, technology and engineering job roles. 10% of UKAEA engineers are women. This is also consistent with national figures.²
- Women account for more than 70% of UKAEA business support roles, with representation weighted towards the lower pay grades. The high proportion

- of women in business support roles is discussed in our recent Athena SWAN application³ and noted as a contributor to our pay gap.
- The above factors create an uneven gender distribution across the pay grades:
 The proportion of women in the lowest pay quartile is 45% and falls steadily across the grades to 13% in the highest pay quartile (see chart below).
- 12% of our 16.8% gender pay gap arises solely from the uneven pay distribution.
- This pay gap is further exacerbated by the fact that a large proportion of technology and engineering roles at UKAEA have a market premium rate of pay in order to compete with the higher rate of pay that these roles attract in the UK labour market. Since men account for approximately 90% of these roles, this premium increases average pay for men within UKAEA as a whole by approximately 5% relative to women (even though this market premium is awarded fairly to men and women).

These two factors – the uneven gender distribution across pay grades and market premium pay for some technology and engineering roles – explain the 16.8% mean gender pay gap we see for UKAEA.

Pay Quartiles - Proportion of Men and Women in each pay quartile



The chart entitled 'Pay Quartiles' shows the gender distribution across four equally sized pay quartiles, each containing 211/212 employees ranked from lowest to highest pay rates

Comparison to national values:

The median gender pay gap for all UK employees was 17.3% at April 2019. It should be appreciated that there is wide variation in the gender pay gap between industries. The pay gap is largest in the Financial Sector and Professional, Scientific & Technical Sector – 33.7% and 24% respectively. ONS analysis found that 23% of the gender pay gap could be explained by occupational differences between women and men.

- 1 2019 Workforce WISE campaign
- 2 2019 Workforce Statistics WISE campaign
- 3 UKAEA Athena SWAN Bronze application, 2018
- **4** The Gender Pay Gap House of Commons Library, March 2020

Bonus

The UKAEA's mean and median gender bonus gap is 19.2% and 18.2% respectively. It shows the difference in average bonus payments received by male and female employees. The gender bonus gap was calculated on payments made in the 12 months preceding the snapshot date of 5 April 2019. Although the median is lower the mean is higher than 2018 but similar to 2017. The legislation requires that the calculation of the bonus

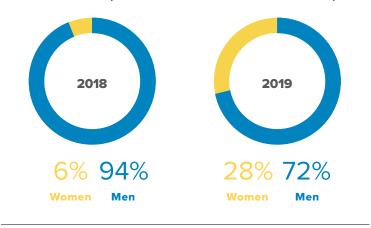
gap is based on actual amounts paid to employees which means that no adjustments were made to reflect pro-rata payments received by part-time employees. This approach distorts the gender bonus gap results as there are more women than men working part-time. Also, our bonus payments are calculated as a percentage of annual salary, so if a gender pay gap exists, it is then replicated in the gender bonus gap.

Addressing the gender pay gap

We are working to create an **inclusive culture** by:

- Regularly communicating the commitment from senior level to create an inclusive and diverse workplace.
- Appointing an executive level chair of the Equality, Diversity and Inclusion (EDI) Panel.
- Appointing an Equality, Diversity and Inclusion (EDI) Partner to enable dedicated focus that embeds best practice in all UKAEA business.
- Working to retain our Athena SWAN Award. This demonstrates commitment
 to all and acts as an externally visible pledge to show that we encourage and
 are committed to advancing the careers of women. We aspire to achieve the
 Silver Award in future submissions.
- Supporting the work of our 30 Inclusion Ambassadors who work internally and externally to provide support and education on a wide variety of topics, including, but not limited to, gender inequality.
- Developing and delivering 'Being Inclusive' training, which incorporates equality and diversity, unconscious bias and bystander training.
- Updating the induction training for new recruits with emphasis on the UKAEA's commitment to a positive EDI culture.

Graduate Development Scheme intake - STEM disciplines



We are supporting career development by:

- Signposting internal career progression routes more clearly. We have observed the positive effects of this work already e.g. an increase in the proportion of women promoted.
- Ensuring that our mentoring programme is inclusive and provides support for career development via non-traditional paths. The number of female employees on the scheme is steadily growing year on year.
- Working with line managers to ensure that they are inclusive in terms of how they provide development opportunities and delegate responsibilities so that all employees have equal opportunity to develop and progress.
- Publicising our family-friendly policies, including a buddy scheme to support new parents at work.
- · Reviewing our flexible working policies and guidance.
- Being an active member of the Nuclear Institute's Women in Nuclear (WiN) group and providing speakers for outreach engineering events.

We are supporting diversity in **recruitment** by:

- Advertising that we offer flexible working on almost all job adverts.
- Showing a diverse range of people and career paths on the CCFE (UKAEA)
 website.
- Scrutinising adverts for hidden gender stereotyping and male/ female bias in wording.
- Scrutinising all pay decisions to ensure bias (including gender bias) is not a factor.
- Ensuring that our extensive programme of hosted, local and national outreach activities is inclusive and actively encourages young women (and their parents) to see science, technology, engineering and mathematics (STEM) as a future career.
- In 2019 the number of women in our Engineering Apprentice Scheme intake increased to 21% and, for apprentices in all disciplines, to 34%.
- The proportion of women entering our Graduate Development Scheme for STEM disciplines increased to 28% in 2019. These positive trends help us to increase the number of women in our talent pipeline.

All of these activities contribute to the sustained and coordinated effort that is required to make a long-term difference. Our EDI Partner is currently creating a strategy that will encompass all the activities across the business, helping to identify gaps and commonalities that will enable us to improve inclusion and representation of women and minority groups at all levels.

Written statement

I confirm that the information contained in this report is accurate and in accordance with the legislations.

PROFESSOR IAN CHAPMAN, CEO - UKAEA



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