



# Closing the Pay Gaps 2023

Gender, Ethnicity, Disability & LGBTQA+.  
The Arden University Pay Gap Report 2023



Arden's median gender pay gap

11.4%

Lower than the UK average

14.3% Gender Pay Gap



# Introduction

We are continuing to make progress in our commitment to reducing pay gaps across our University.

In 2023, according to the Office for National Statistics, the UK had a Gender Pay Gap of 14.3%. I'm pleased to say the gap at Arden University remained lower at 11.4%.

## Why the gap?

As we look back over the 12-month period covered by this report, we are pleased to have maintained a low gender pay gap. Although there has been a slight rise in 2023 (11.4% 2023 compared to 10.9% in 2022), we are maintaining a lower gap than in previous years – our gender pay gap was 28.6% in 2020 when we published our first report.

The more women we have in senior roles the more the gap will diminish. This report explains more about what we have been doing in 2023 to reduce the gender pay gap.

## Reporting on all gaps

This is the first time we have reported on all the gaps – gender, ethnicity, disability, and LGBTQA+. Reporting on pay gaps other than those simply required by law (gender), will assist us in better understanding the intersectional complexities of pay gap issues within our workforce, which allows us to better target intervention to address the gaps identified.

We're not resting on our laurels - we know there is more we need to do. We won't be satisfied until we have closed all the gaps entirely, which we aim to do by 2025.

## Commitment to closing the gaps

We are continuing to monitor pay equality; however, we recognise the biggest challenge we face is the structure of our workforce and the clear under-representation of some groups within specific areas of the University.

We're working hard to enhance our recruitment practices to ensure we can attract and retain the best people. We're developing the talent we have by creating new opportunities for staff to enhance their skills and capabilities, whilst supporting them throughout their career progression.

Our median gender pay gap at 5 April 2023

11.4%



**Professor Carl Lygo**  
CEO & Vice Chancellor

*Carl Lygo*



# Arden University

## Who we are

Arden University has a proud heritage in providing flexible and accessible higher education. We've grown and evolved from our beginnings in 1990 as the chosen online learning partner for universities across Britain, to offer a new kind of learning experience, providing both online and blended learning degree courses that meet the changing needs of modern life.

Today, we offer more than 90 career-focused qualifications, many of which are accredited by leading professional bodies such as the British Psychological Society, the Chartered Management Institute, the Chartered Institute of Marketing, the Agency for Public Health Education Accreditation, the Association for Project Management, and many others.

We strive to do things differently and believe in doing things better. We recognise that higher education providers must proactively respond to the current and future needs, trends, and expectations of employers, as well as a global evolving economy, to create a better world for everyone.

With campuses in Manchester, Birmingham, London, Leeds and Berlin, we offer our students the chance to gain life-changing degree qualifications no matter their background or personal circumstances.

As active champions of equality, diversity, and inclusion, we believe that higher education is a force for both social and economic change. Through bringing the power of technology together with the potential of a university education, we are revolutionising the traditional university model to remove unnecessary barriers to learning.



Education Investor  
Awards 2023  
**WINNER**  
Higher Education  
Institution of the Year



**In-house Recruitment Awards**

Winner Onboarding Strategy



**IMechE North West  
Engineering Excellence Awards**

Winner Inclusive Curriculum  
Development



Stand out



Progressive



Accessible



Resourceful



Kindness

## Sparking the extraordinary

### Our internal values

Our organisational values - SPARK - represent our bold and innovative approach to higher education, our determination to help people from all backgrounds thrive in their lives and careers, and our commitment to helping our colleagues achieve outstanding outcomes.

# Why we're reporting on all the gaps

**We want to go further than just removing the gender pay gap. Although there is no formal requirement to do so, our report now covers ethnicity, disability, and LGBTQA+ pay gaps alongside our gender pay gap.**

We believe that publishing this data, and being open and transparent, helps us to better understand issues our colleagues face, and helps us all to create an inclusive and safe workplace where everyone can thrive.

In this report, we show where we've made progress, and where there is work still to be done. We also outline what we plan to do to close the gaps to work towards full equality.

The report content meets the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

## **Equal pay vs pay gap**

Equal pay and the gender pay gap are terms that may sound the same, but they have different meanings.

It is important to understand the difference between the two terms. Many organisations, including Arden University, ensure equal pay through robust job evaluation and fixed salaries.

## **Equal pay**

Equal pay means the jobs given to men and women do not have to be identical but must be substantially equal. This does not mean that all employees must be paid the same wage, of course. Differences in pay are permitted, but any difference must be based on reasons other than sex.

In the UK, employers are legally required to provide equal pay to both men and women if the work they do is the same or broadly similar, under the Equality Act 2010.

## **Pay gap**

The pay gap refers to the difference between the average pay of one colleague group (e.g. men) compared to the average pay of another colleague group (e.g. women) in an organisation.







# Language we use & what it means

**Mean pay gap** – If we add together all the hourly rates of our men, calculate the average and then do the same for our women, the mean pay gap (as a percentage) is the difference in pay between the average men and women hourly rate.

**Median pay gap** – The median is the middle value of all hourly rates when ranked. If all our men stood in a line in order of lowest hourly rate earner to the highest and all our women did the same, the median pay gap (as a percentage) is the difference in pay between the middle colleague of all men and the middle colleague of all women. We look at the median as it's less affected by numbers at the top end of the pay range, for example the earnings of a small number of senior executives.

**Bonus pay gap** - The mean and median bonus gaps are calculated in the same way as the gender pay gaps. However, this time we use the actual bonus paid to colleagues. We also report the number of our men and women receiving a bonus (as a percentage of the total of our men and women).

**Gender pay gap** - the difference in hourly pay between the total population of men in the workforce and the total population of women in the workforce. It's calculated as the difference between average (mean or median) hourly earnings (excluding overtime) of men and women as a proportion of men's average hourly earnings.

**LGBTQA+** - Lesbian, Gay, Bisexual, Transgender, Queer and undefined people, people on the asexual or aromantic spectra, and others who experience similar forms of prejudice and/or discrimination (+).

**Gender** – Sex and gender are often used interchangeably, but gender refers to the characteristics of women, men, girls, and boys that are socially constructed.

Sex refers to the different biological and physiological characteristics of males and females, such as reproductive organs, chromosomes, hormones, etc.

**Disability** – Disability is a protected characteristic under the Equality Act 2010, which defines disability as 'any physical or mental impairment that has a substantial and long-term effect on a person's ability to carry out normal day-to-day activities'.

**Ethnicity** – Race and ethnicity are often used interchangeably. Ethnicity is broader than race and is usually used to refer to long-shared cultural experiences, religious practices, traditions, ancestry, language, dialect, or national origins (for example, African-Caribbean).

Race is a social construct and is a categorisation that is based mainly on physical attributes or traits, assigning people to a specific race simply by having similar appearances or skin colour (for example, Black or white).

# What actions have we taken?

Our Equality Diversity and Inclusion (EDI) colleague network groups were introduced in 2022 and continue to go from strength to strength. We have four colleague networks and one combined student and staff network. These are:

- SPARKle (for LGBTQA+ staff)
- REN (our staff Race and Ethnicity network)
- DAWN (our staff Disability and Wellbeing network)
- ArGEN (Arden University's Gender network)
- Neurodiversity Network (for neurodiverse students and staff)

In 2023, our EDI networks ran a number of events to celebrate diversity, support our staff and identify ways that Arden could be more inclusive, such as inclusive recruitment processes, freely available sanitary products, and support for trans and non-binary staff and students. These are being actioned and rolled out across the University.

We also launched our EDI Champions Community and Student Inclusion Panel, to provide crucial input into staff and student facing EDI initiatives. In 2023, the EDI Champions and Student Inclusion Panel wrote a new EDI policy for the University and are currently collaborating on a toolkit of training and guidance resources for Arden University colleagues.







# Aurora / AdvanceHE

In 2023 we launched the Aurora programme. Aurora is a female leadership development programme run by AdvanceHE. It is run as a unique partnership bringing together leadership experts and higher education institutions to take positive action with women to address the under-representation of women in leadership positions within the sector.

11 female members of staff from six different departments are participating in the Aurora programme, which they will complete in February 2024.

Aurora addresses core areas associated with leadership success:

- Understanding organisations and the sector
- Developing leadership behaviours, skills and knowledge
- Identifying and overcoming barriers and obstacles
- Growing confidence and a leadership identity
- Building networks, coalitions and support processes

 AdvanceHE

Member

23-24

# Aligning our policies & processes

## Living Wage

We've been paying the Real Living Wage for several years, voluntarily going above and beyond the UK government minimum. We are committed to continuing to do so.

## London Weighting

In 2023, we revised our London Weighting payment and increased it from £2,500 to £4,000.

## Sick pay

Colleague health and wellbeing are of great importance to Arden University. Whilst we have invested in initiatives and programmes to support colleagues, such as our Employee Assistance Programme and Mental Health First Aiders, we know that having financial support during a period of illness can help relieve unnecessary anxiety and stress and allow colleagues to focus on getting back to good health.

UK colleague sick pay has now increased to four weeks full pay and two weeks half pay from the start of employment to one years' service.

After one years' service, UK colleague sick pay is further increased to 13 weeks full pay and 13 weeks half pay per rolling 12-month period.

We reviewed our existing sick pay policy for our Germany and Czech Republic colleagues, and it is competitive and remained unchanged.

## Lecturer pay

We conducted a benchmark review of our lecturer pay and have uplifted the pay band for lecturers to ensure that our total reward package remains competitive. This exercise resulted in an increase in pay for over 120 staff members out of which 66% of the staff members are women, 43% have declared an ethnic background, 14% have declared a disability and 7% have declared they are LGBTQA+.



# Gender Pay Gap

## What is the gender pay gap at Arden University?

We are required to report six measures of the gender pay gap:

- The mean and median pay gaps
- The mean and median bonus gaps
- The ratio of women and men who received a bonus
- The pay percentiles (see next page)

The median is the middle point of a range of numbers and the mean is the average of a range of numbers.

We focus on the median value as the median is generally considered the best representation of the middle point of data. The mean is sensitive to outliers, and this can skew the data year on year, whilst the median value mitigates outliers making it a more robust measure.

Please refer to page seven for full descriptions of the terms and methods used to calculate the gaps.





# Gender Pay Gap

Our workforce profile:



63%



37%



Total number of colleagues

**848**

(5 April 2023)

Pay difference between women and men:

Gender pay gap across all UK colleagues

Mean **13.3%**  
Median **11.4%**

Bonus gender pay gap across all UK colleagues

Mean **65%**  
Median **63.2%**

The proportion of eligible Arden colleagues who received a bonus:

Females  
**14.4**



Males  
**9.8%**

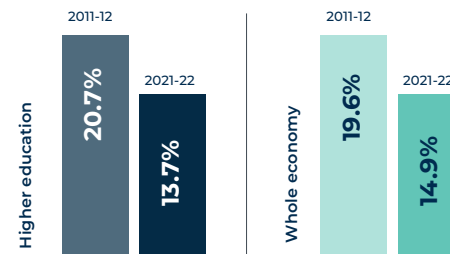


## How does our gender pay gap compare?

Arden University's median gender pay gap in 2023 was 11.4%.

Recent data from Advance HE shows that the average gender pay gap in higher education in 2022-23 was 14.2%.

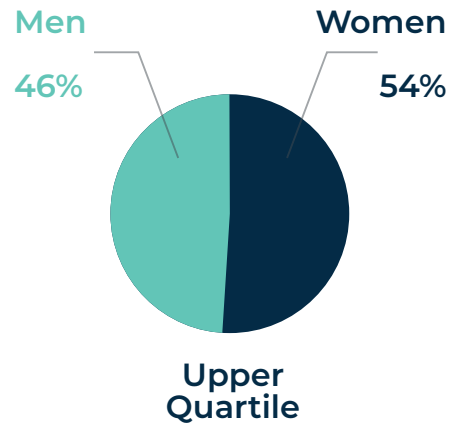
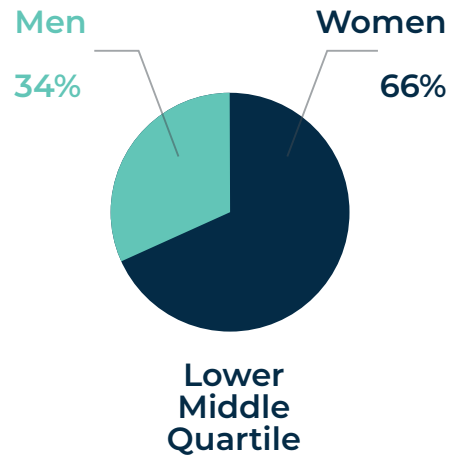
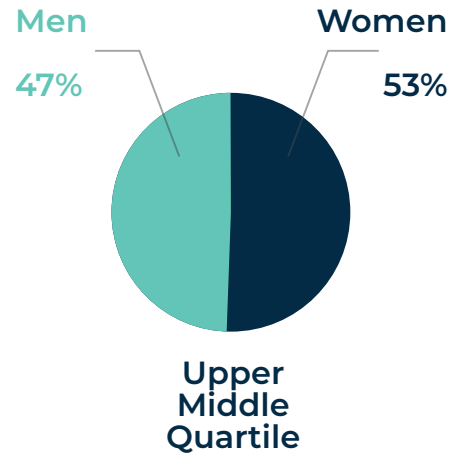
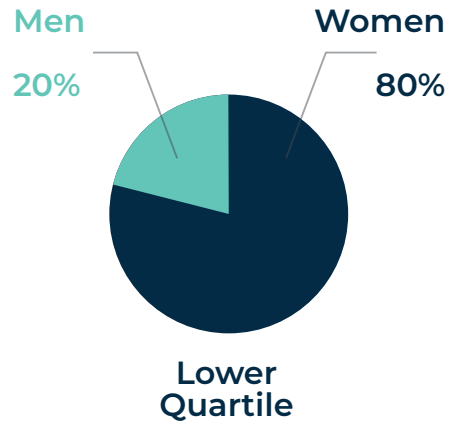
According to the Office for National Statistics (ONS) the gender pay gap for the same period for the whole economy was 14.3% - it has decreased from 14.4% in 2022 and is still below the levels seen in 2019 (17.4%).



Source: ONS ASHE, 2012, 2022 (provisional). Based on median gross hourly earnings excluding overtime for all colleagues (full-time and part-time).

# Gender pay gap – pay quartiles

Pay quartiles are calculated by dividing all hourly rates paid across the business, from lowest to highest, into four equal sized groups of colleagues and calculating the percentage of men and women in each.



# Ethnicity Pay Gap



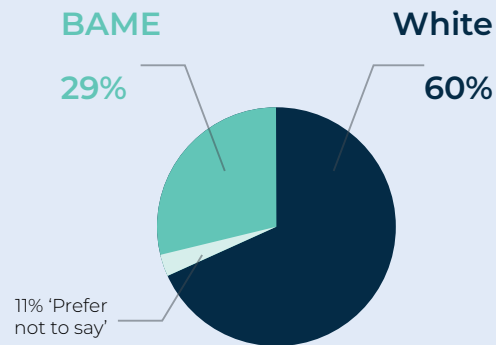


# Ethnicity Pay Gap

## What is the ethnicity pay gap at Arden University?

The ethnicity pay gap is calculated in the same way as we calculate the gender pay gap using the same data collection point (5 April 2023). Our data for ethnicity, disability and LGBTQA+ gaps may be influenced by the number of staff have chosen not to disclose this information. There is considerable variation within the ethnic background category, and we continue to aim for greater levels of granularity to report effectively.

Percentage of workforce that declares ethnicity:



Ethnicity pay gap across all UK colleagues

**Mean** 4.9%  
**Median** -3.5%

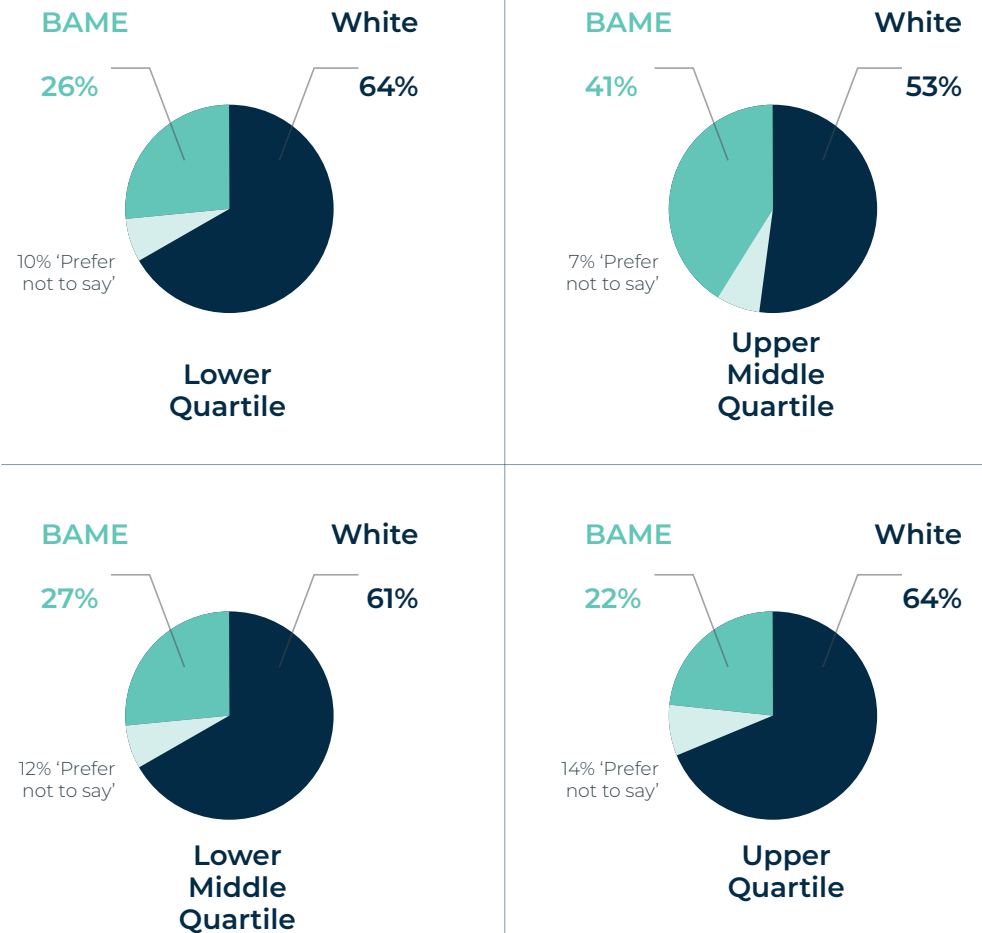
Bonus ethnicity pay gap across all UK colleagues

**Mean** -3.9%  
**Median** 22.7%

The proportion of eligible colleagues who received a bonus:



Ethnicity pay quartiles



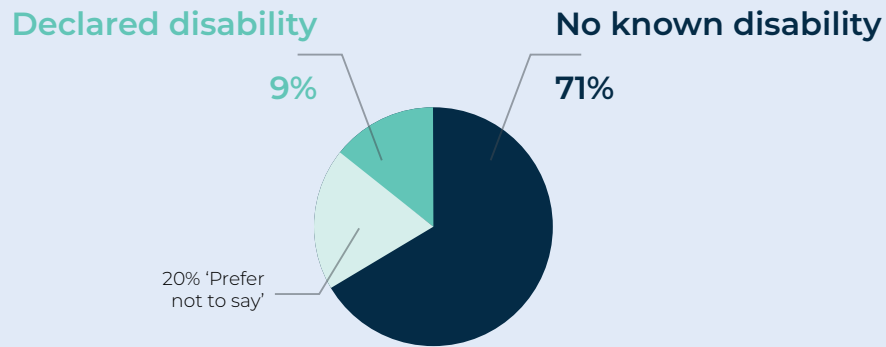
# Disability Pay Gap



# Disability Pay Gap

Our data for ethnicity, disability and LGBTQA+ gaps may be influenced by the number of staff have chosen not to disclose this information.

Percentage of workforce that declare a disability



Disability pay gap across all UK colleagues

**Mean** 3.1%  
**Median** 0%

Bonus disability pay gap across all UK colleagues

**Mean** 43.3%  
**Median** 24.5%

The proportion of eligible colleagues who received a bonus:

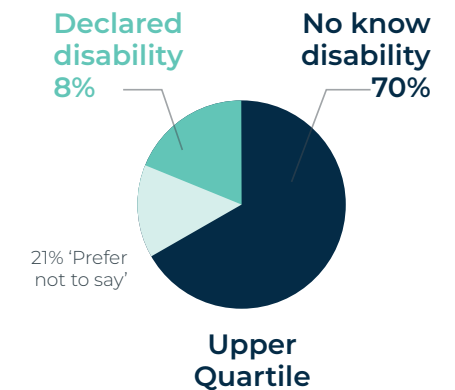
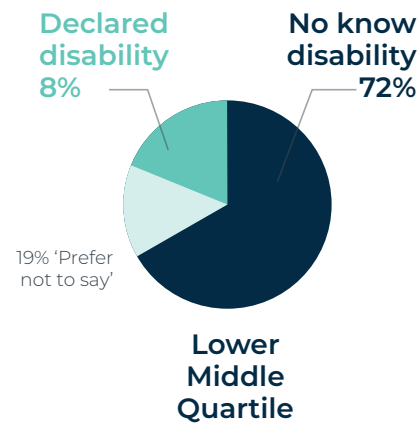
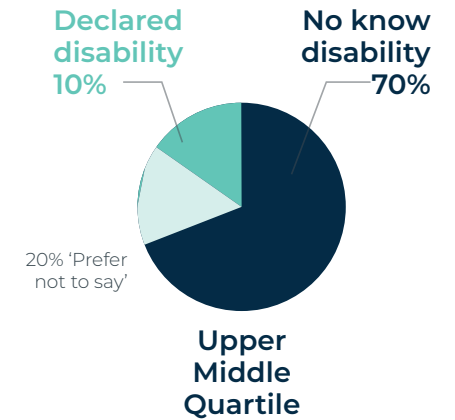
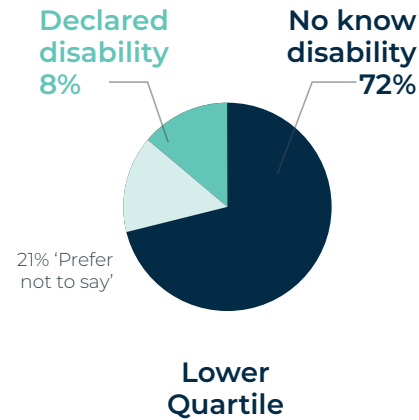
No known disability  
**10.2%**



Declared disability  
**9.6%**

'Prefer not to say' = 22.8%

Disability pay quartiles





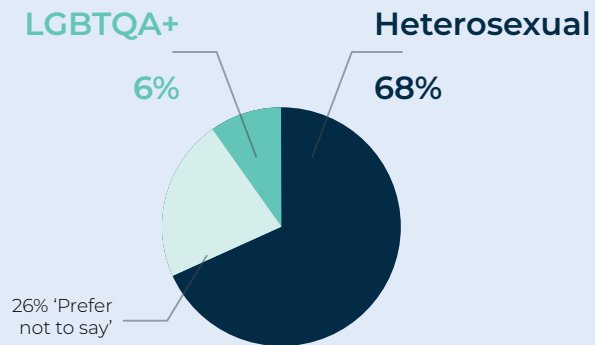
# LGBTQA+ Pay Gap



# LGBTQA+ Pay Gap

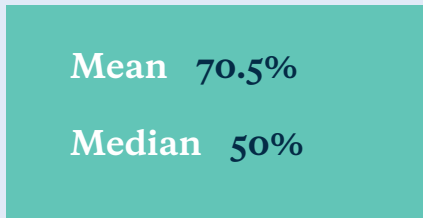
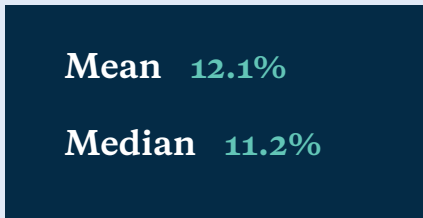
Our data for ethnicity, disability and LGBTQA+ gaps may be influenced by the number of staff have chosen not to disclose this information.

Percentage of workforce that declare as LGBTQA+



LGBTQA+ pay gap across all UK colleagues

Bonus LGBTQA+ pay gap across all UK colleagues



The proportion of eligible colleagues who received a bonus:

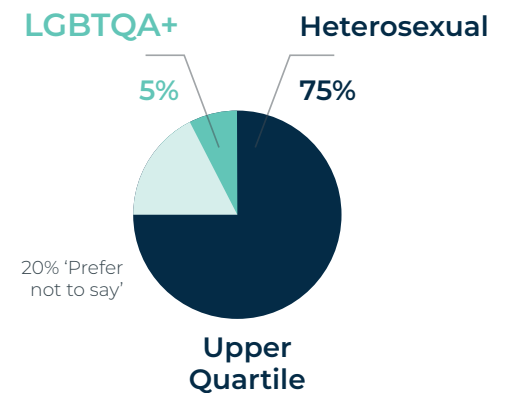
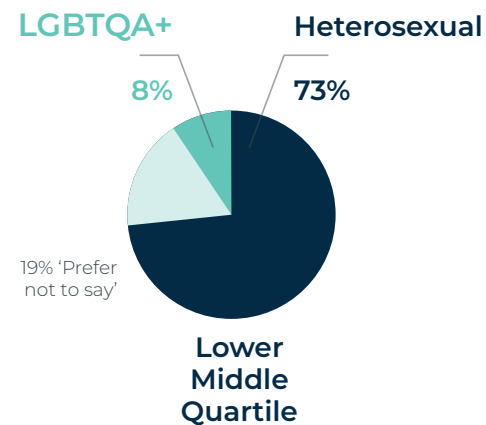
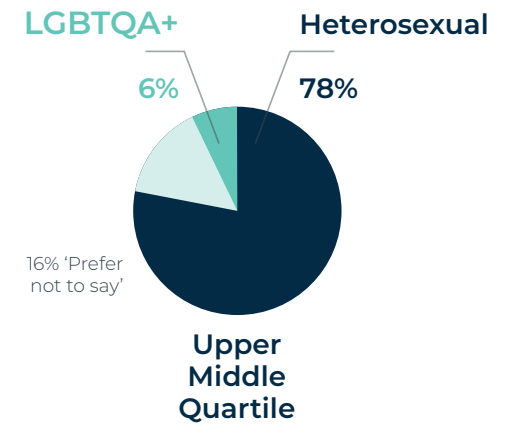
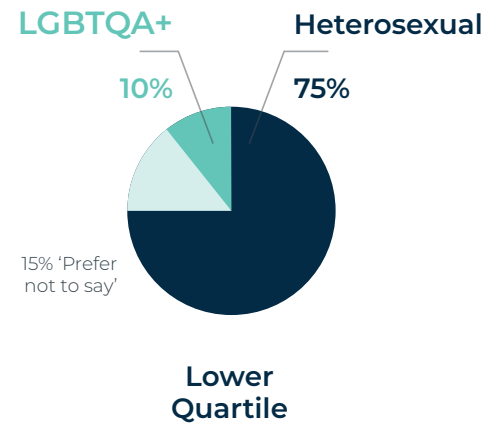
**Heterosexual**  
10.5%



**LGBTQA+**  
4.5%

'Prefer not to say' = 25.9

Ethnicity pay quartiles





# What is driving the gaps?

One of our challenges continues to be the lack of data we collect and hold on diversity characteristics, including ethnicity and disability. We continue to address this issue through our Equality Diversity and Inclusion (EDI) Colleague Networks, EDI Champions Group, and EDI team to enable us to better understand and respond to issues of intersectionality.

Looking at gender, ethnicity, and disability, we've identified that females, colleagues of ethnic background, and colleagues who have declared a disability, tend to make up the majority of those on lower grades and have lower representation at senior grades.

The reason for the large drop in the gender gap in 2022 was that the proportion of males and females at the lower end was steadily equalising. Due to the slight increase in the percentage of women in the lower quartile this gap further increased by a few points this year. The proportion of females compared to males at Grade 8 and above is increasing – these are one of the key reasons for the closing and expanding of the gender pay gap.

There is under-representation of colleagues from an ethnic background and colleagues who have declared a disability at senior levels.

The data for ethnicity and disability may be influenced by colleagues who have chosen not to disclose this information. In the coming year we will be running a campaign to promote the benefits of disclosure.





# How we will close the gaps

**Pay gap reporting is one of several tools we can use to ensure we are being fair in pay, reward and recognition. It can also help us to identify where there may be structural issues on how talent from diverse backgrounds and protected characteristics are distributed within the University.**

The data has helped to shape our action plans as we work towards closing all pay gaps.

Our colleague advocates, sponsorship at senior level, and inclusive ways of working will keep our focus on improving gender balance and representation across the University.

We are proud of the work we have done to close the gender pay gap so significantly - but we aren't going to rest on our laurels. One of our strategic aims is to achieve parity by 2025, so our work to close the gap continues in earnest.

# Our priorities

- Continue to focus on gender balance and representation across the University. By working on clearer career pathways, we will make sure colleagues are aware of the opportunities open to them and further develop their skills.
- Continue to embed a robust benchmarking/grading method, making sure our existing and future colleagues are rewarded with fair and equitable pay rates. We will ensure that all colleagues who sit on recruitment and selection panels complete training that specifically addresses gender bias.
- Conduct a detailed analysis of gender, ethnicity, disability, and LGBTQA+ and intersectional pay gaps aimed to help us identify progress, as well as identifying priority areas for action to reduce any pay gaps.
- Support promotion, pay and bonus transparency ensuring everyone has equal opportunities. We will also be publishing a pay policy to make our reward processes more transparent.
- Continue to improve our recruitment, talent management and total rewards strategy, to ensure we attract a diverse range of candidates and retain the very best talent.
- Introduce enhanced paternity pay and encourage male colleagues to take parental leave.
- Remain committed to agile and flexible working where possible. We understand that women work reduced hours to allow them to manage caring responsibilities and significantly impacts their income potential.

