

LSE Gender Pay Gap Report 2022

Introduction

Within its overarching LSE 2030 strategy, LSE has committed to a number of steps related to equity, diversity and inclusion. We recognise the benefits of having a diverse staff and student population and aim to ensure that all staff and students are treated fairly and equitably. This report, which focuses specifically on the question of LSE's gender pay gap¹ is published in accordance with the reporting regulations introduced by the UK Government in 2017 under the Equality Act 2010 and forms part of our wider commitment to equity, diversity and inclusion.

In accordance with statutory provisions, LSE, along with all organisations with over 250 employees, is required to report its gender pay gap data on an annual basis. This report details the gender pay gap data and analysis for 2022 (as at a snapshot date of 31 March 2022).

The data included in the report is from the reporting period of 1 April 2021 to 31 March 2022, based on the snapshot date of 31 March 2022. At this point, LSE had 3,936 staff in post, of which 2,129 (54%) were women and 1,807 (46%) were men. This represents a one percentage point increase in favour of women compared to the last reporting period (ie, 1 April 2020 to 31 March 2021).

Our previous analyses have explained the key reasons why a gender pay gap exists at LSE, namely a higher representation of men in senior positions and in the higher-paid academic disciplines. This year's data shows that a gender pay gap continues to exist at LSE but with a continued slight reduction in the median and a small increase in mean since the previous report in 2022. This report explains our understanding of this year's data and the continued work that we are undertaking as part of our commitment to reducing the gender pay gap as well as advancing gender equity more generally within LSE.

Building on the success of achieving the Athena SWAN Bronze Institution Award² and Bronze and Silver departmental awards respectively in Statistics and Mathematics, we have been continuing to work towards meeting our internal targets for women in the workforce. This has demonstrated positive results, namely an increase in the proportion of women professors to 28%, associate professors to 41% and senior professional services staff to 55%.

Work towards achieving the targets set out in the plan is monitored and reviewed by the EDI Advisory Board which also reviews the progress on other plans and initiatives discussed later in this report under 'Addressing the Gender Pay at LSE'.

The Athena SWAN action plan is aligned to supporting our commitment to reducing the gender pay gap and some of the actions are included in the final section of this report 'Addressing the gender pay gap at LSE'.

Last year's report detailed the key impacts the pandemic had on LSE which related to certain restrictions and measures on pay and recruitment. Although the majority of the restrictions and measures were no longer in place at the snapshot date of 31 March 2022, this year's gender pay gap data should be understood in the context of short-term pay and recruitment decisions being made during the pandemic and in the recovery phase. These include the following:

1. Removal of the conditional recruitment freeze and increased pressures of attracting and recruiting talent in a difficult candidate-led market. Recruitment significantly increased from the summer of 2021 through to, and beyond, the snapshot date of 31 March 2022. This was at a time when many sectors, including HE, were facing the challenges of a competitive recruitment market and increasing salaries. ONS data shows that, in 2021, pay rises for staff moving jobs was at 10% nationally and 12% in London.

¹ 'Gender pay gap' is not the same as 'equal pay', which relates to the pay that people receive when doing the same or a similar role. It is also not the same as 'pay equity', which, for example, with academic staff, relates to the pay that faculty coming from the same discipline receive at the same pay band (e.g. at the associate professor level) within the same department.

² Athena SWAN is a Higher Education charter mark for advancing gender equality.

2. Continued financial pressures on HEI's creating difficulties with national pay award negotiations, resulting in lower pay awards.
3. Continued focus on non-recurrent contribution payments.
4. Changing nature of the workforce – increased pressures, especially among professional services staff due to higher-than-expected turnover rates in line with national trends, i.e. the 'Great Resignation', which started in spring 2021. In March 2022, we saw an overall increase of 2.6% in turnover (5.9%) compared to March 2021 (3.3%). Turnover for women (7%) increased by 1.2 percentage points compared to a decrease for men (5.1%) of 1.7 percentage points.

During this period of change and following significant consultation, LSE has continued to support staff by implementation of the 'Future Ways of Working' Programme; this provides increased flexibility through our blended working policy and supporting guidance. We have conducted annual staff pulse surveys throughout this period and sought to understand and mitigate any negative consequences of the impact of the pandemic specifically in relation to gender. Pulse survey results show that 86% of women who responded agree or strongly agree that blended working is working well for them; there has been an eight-percentage point increase in positivity regarding the balance between work and home life (62%) and an eleven-percentage point improvement in perceptions of line manager support compared to the survey results in 2021 (one in four women say that this has improved since the pandemic). Early indications would lead us to believe that new ways of working will have an ongoing positive impact on our ability to attract and retain staff and that this will be disproportionately positive for women.

Gender Pay Gap Results and Analysis

Background information for how the gender pay is calculated and terminology definitions can be found in Appendix 1.

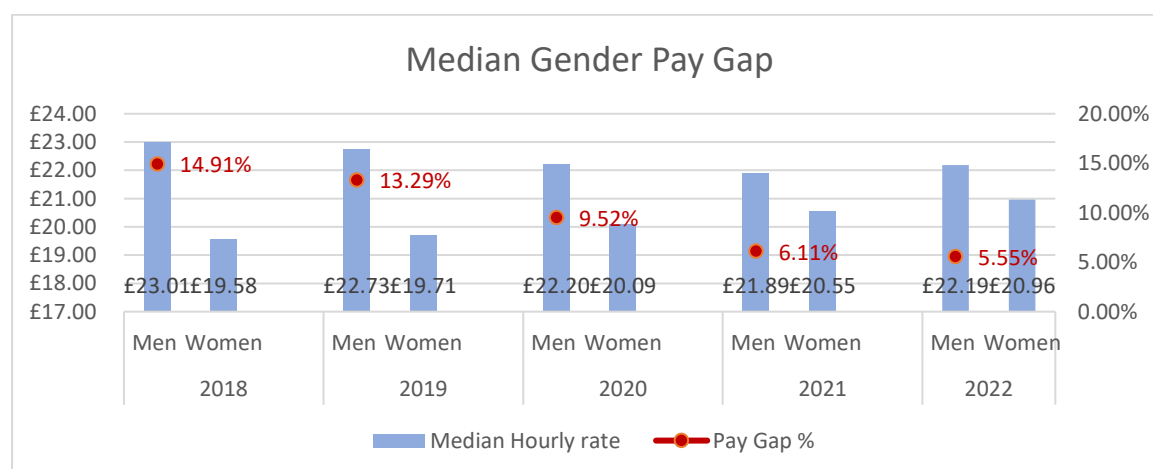
Gender Gap in Ordinary Pay

Our median gender pay gap based on Ordinary Pay is 5.55%³. This has decreased by 0.56 percentage points since 2021 (6.11%).

Figure 1 shows that the median hourly rate for men increased from £21.89 to £22.19 (1.36%) between 2021 and 2022. For women, the median hourly rate has increased from £20.55 to £20.96 (1.97%).

The median pay gap is the difference between the mid-point of hourly pay rates for men (£22.19) and for women (£20.96) divided by the hourly pay rates for men. Figure 1 demonstrates the progression of the median pay gap and median hourly rates of pay between 2018 and 2022.

Figure 1: Median Gender Pay Gap – 2018 to 2022



³ Includes all salaried and hourly paid staff (excludes casual workers where this is the only role held and there are no set hours). Hourly paid staff include Graduate Teaching Assistants (GTAs), Guest Teachers (GTs), and Occasional Research Assistants (ORAs).

Our median pay gap has improved year on year since 2018 (when it was 14.91%). Between 2018 and 2021, men's hourly rates of pay decreased and women's hourly rates of pay increased. In the last year, we have seen both men and women's hourly rates increase; however, the hourly rate for women has increased by a higher percentage than for men.

When comparing this year's results to last year's, the slight reduction in the median pay gap can largely be attributed to the increase in the number of women within the workforce and their positioning on the salary scales.

When comparing the balance of starters and leavers, although both the numbers of men and women in the workforce have grown, the number of women at LSE increased by 8.35% compared to a 2.79% increase for men. This resulted in the overall percentage of the workforce changing for men to 46% (-1%) and to 54% (+1%) for women.

This change in workforce numbers also affected the growths in hourly rates between men and women. In almost all job types (excluding teaching roles) and salary bands, there were more women than men compared to the previous year. However, these have been largely concentrated in bands 5-7, where there were 69 more women (96 in total) compared to men (27 in total) and, therefore, this has had a more positive impact on the median hourly pay rates for women.

LSE's current mean gender pay gap is 24.74%, an increase of 1.83 percentage points from last year's figure of 22.91%. The mean gender pay gap looks at the difference between the average of men's (£33.00) and women's (£24.83) hourly rates of pay divided by the mean hourly rates of men; see Figure 2 for the progression of the mean between 2018 and 2022.

This year's report shows an increase in both the hourly pay to men and women, as opposed to last year when this was only the case for women. The percentage increases in this year's report show a rise in men's hourly rates of 3.84% compared with women's which grew by 1.35%. Overall, we also saw increases in hourly total sums for both men and women. The total hourly sum for women grew by 9.83% (£52,870.58) compared to 6.73% for men (£59,627.05). However, the percentage change in staff numbers has increased by 8.35% for women and 2.79% for men; therefore, the change in total sum has had a greater impact on the mean hourly rate of men.

The increase in the mean pay gap is largely due to a higher number of men on specialist teaching contracts. These off-scale contracts are often paid on a short-term basis and attract higher rates of pay. This year's report shows that there are six more men than women on off-scale teaching contracts. Because of the off-scale salaries, even a small number of these contracts has the effect of skewing the mean hourly pay rates and increasing the pay gap. This is explained further in the report when comparing the mean pay gap variation for teaching focused staff.

It can also be seen that there are more women in the lowest salary bands which has also impacted the mean salaries for women. For example, in this year's report there are 34 more women than men in band 1 (the lowest salary band) compared to last year.

Overall, it remains the case that there continue to be more men paid higher salaries compared to women, as is demonstrated in the pay quartiles below. The mean is influenced by the larger proportion of male staff on a higher rate of pay overall.

Figure 2 shows the progression of the mean pay gap and mean hourly rates of pay between 2018 and 2022. Table 1 shows the numbers of staff, by gender, employed on the relevant date.

Figure 2: Mean Gender Pay Gap – 2018 to 2022

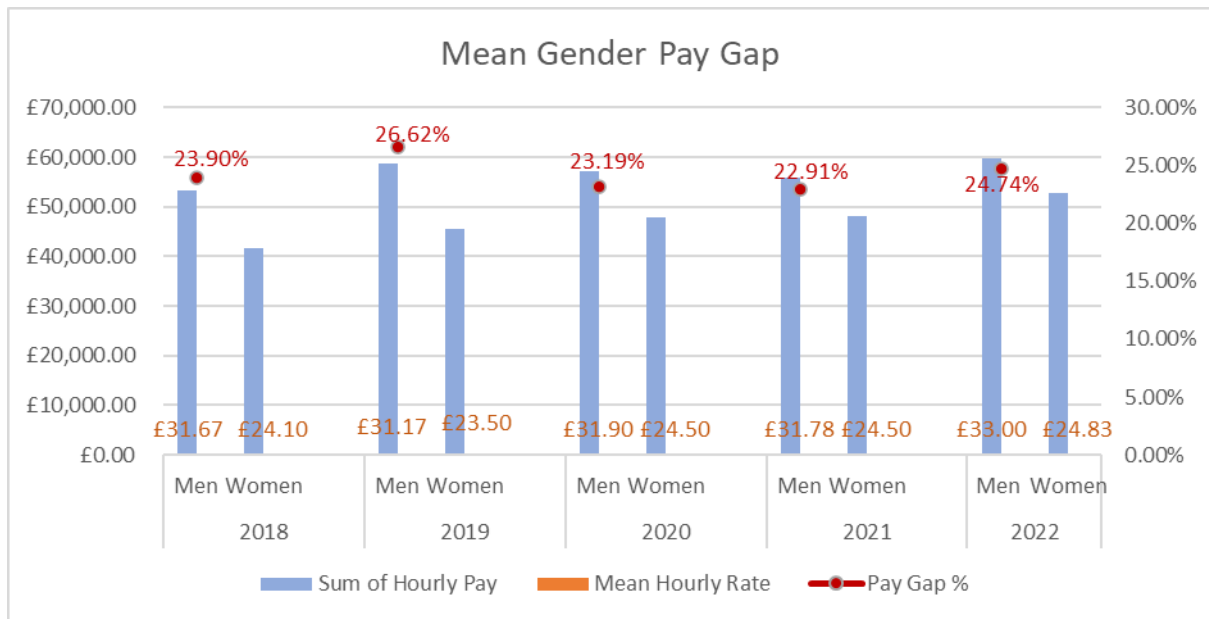


Table 1: Staff Population by Reference Year/Gender

Reference Year	Number of Men	Number of Women
2018	1672	1721
2019	1779	1885
2020	1790	1949
2021	1758	1965
2022	1807	2129

Figure 2 shows that there has been a large increase in the sum of hourly pay for women since the previous report, (£4,731.16 compared to £391.96 in 2021). However, as this was coupled with a significant increase in numbers of women, their mean hourly rate only saw a small increase of 1.35% (£0.33 per hour). As opposed to the previous report, for men there has been an overall increase in total sum of £3,760.18 (compared to 2021 when there was a decrease of £1,225.23). The total sum of hourly pay remains largely in favour of men though by a smaller margin than the previous report (£6,756.47 compared to £7,727.45 in 2021).

The median and mean gender pay gaps further break down as follows according to staff category:

Figure 3a: Academic staff (Research and Teaching)

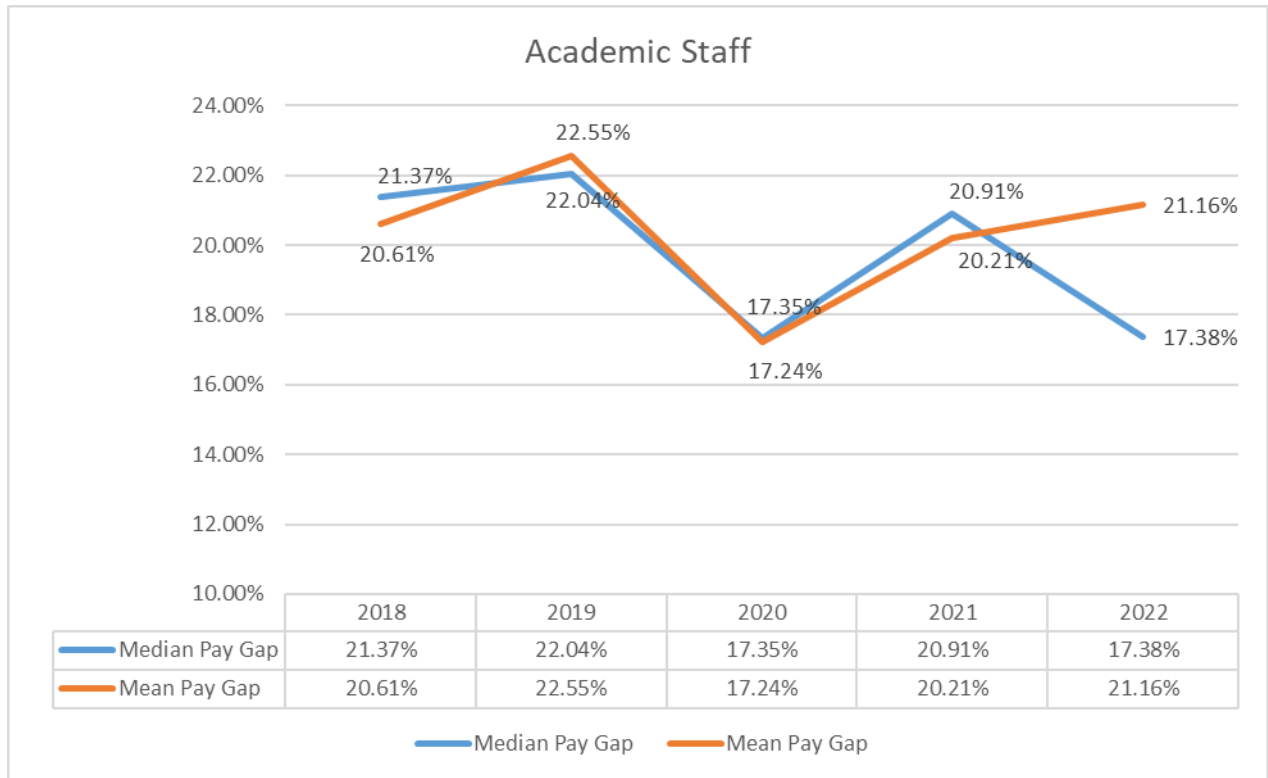


Table 2a: Academic Staff (Research and Teaching) Population by Reference Year

Reference Year	Number of People
2018	626
2019	622
2020	614
2021	606
2022	641

Figure 3b: Professional Services Staff

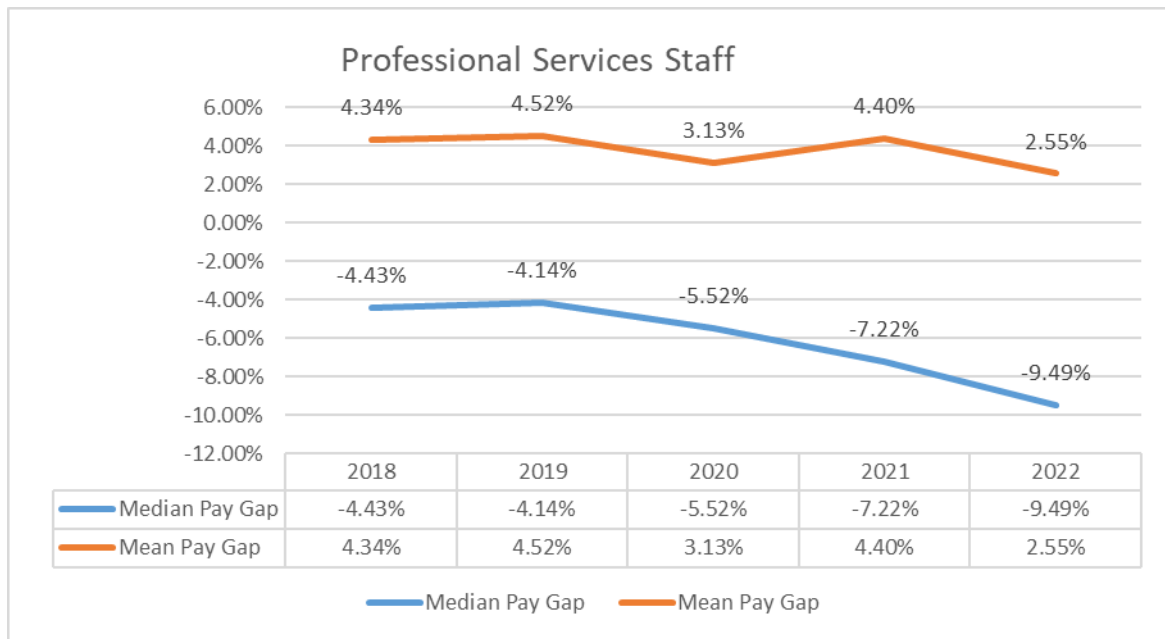


Table 2b: Professional Services Staff Population by Reference Year

Reference Year	Number of People
2018	1812
2019	2090
2020	2082
2021	2004
2022	2166

Figure 3c: Research Focused Staff

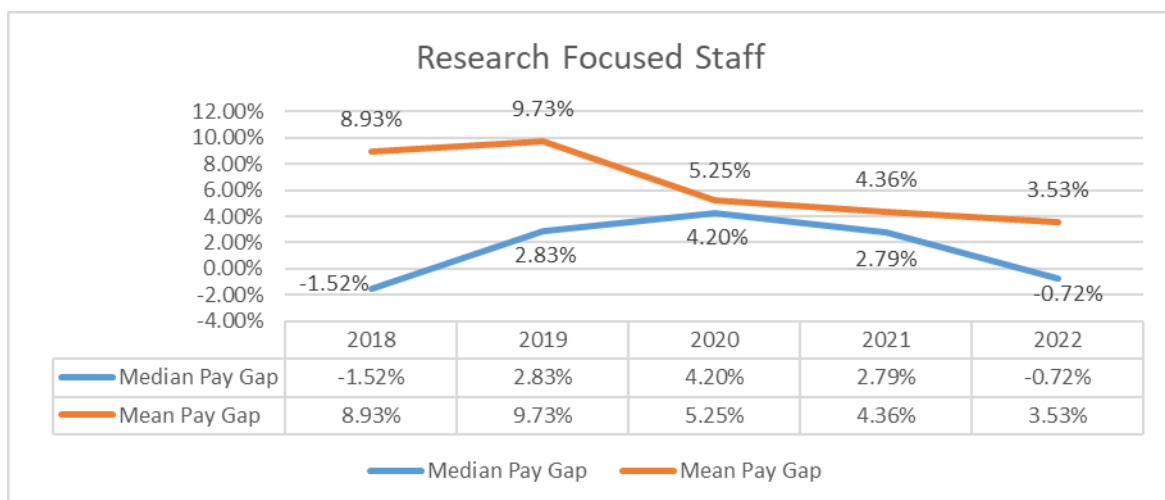


Table 2c: Research Focused Staff Population by Reference Year

Reference Year	Number of People
2018	375
2019	362
2020	408 ⁴
2021	437
2022	439

Figure 3d: Teaching Focused Staff

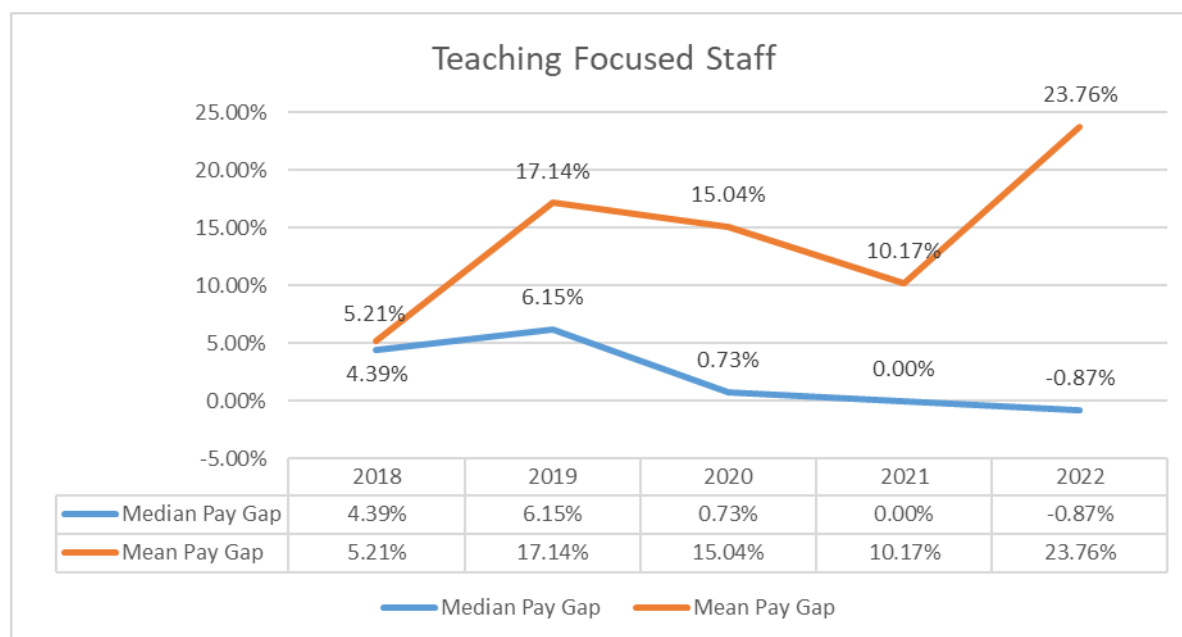


Table 2d: Teaching Focused Staff Population by Reference Year

Reference Year	Number of People
2018	580
2019	590
2020	635
2021	676
2022	688

Median and Mean Analysis across LSE Staff Groups

As detailed in Figures 3a to 3c, the report further breaks down the gender pay gaps by staff categories. These include academic, teaching, research and professional services.

The breakdown shows that there have been decreases in the median pay gaps for all categories of staff. The largest decrease is for academic staff (research and teaching), which has returned to a similar level to 2020. Professional services and research focused staff have also seen decreases in their mean pay gaps. Whilst academic staff (research and teaching) saw an increase in the mean pay gap, the most significant increase is found in the teaching focused staff category. This follows a two-year steady decline since 2019 partly because of the impact of the pandemic.

⁴ The increase in numbers from 2019 is largely accounted for by the inclusion of Policy Fellows (34 in total). These were introduced in 2019 and previously included in the Professional Services Staff category but are considered to be more appropriately placed with research focused staff.

Teaching Focused Staff

Our previous gender pay gap reports have commented on the high level of fluctuations within our teaching focused staff pay gaps. This is related to the relatively larger number of new starters and leavers in this category due to many of them being students. This results in larger compositional changes every year than in other categories, and thus allowing for movements (leavers/hires) to have a more notable effect on the total.

When looking specifically at the reasons behind the significant increase of 13.59 percentage points in the mean pay gap in this year's report, as explained earlier, this has largely been caused by a 67% increase in men on off-scale Guest Teacher contracts in the higher paid academic disciplines. In the previous year, the appointments of additional specialist teaching contracts were reduced as part of our response to supporting financial planning during the pandemic. This measure was removed at the end of 2021 and subsequently the shift in appointing to specialist teaching contracts had an impact on increasing the mean hourly pay rates for men. The mean hourly pay rate for men (£30.36) increased by 12.01% compared to that for women (£23.15) which decreased by 4.91%.

When looking at staff on off-scale contracts, it can be seen that almost 84% are men; this is an increase of 8.6 percentage points compared to the previous report. Numbers of women on these contracts are low and remain static. Because of the nature of the disciplines, the hourly rates are, in addition, significantly less – women's hourly rate equates to 41% of the men's hourly rate.

In addition, when looking at staff turnover data, it can be seen that there was a significant increase in voluntary turnover of LSE Fellows⁵ - 17.3% compared to 9.6% in 2021. This breaks down to 7.0% for women compared to 5.1% for men.

Academic Staff (Research and Teaching)

The academic staff (research and teaching) mean pay gap has increased by 0.95 percentage points. There was a decrease in the academic staff (research and teaching) median pay gap by 3.53 percentage points, which represented the most significant decrease in any job category. The median hourly pay rate for women (£42.33) has increased by 5.94% compared to an increase of 1.41% for men (currently £51.23). The overall percentage of women in academic roles increased to 37.42% in 2022 compared to 35.81% in 2021. Breaking this down further, we can see increases across all academic (NAC) grades. Specifically, the proportion of women assistant professors has increased by 1.11% and, more significantly, the proportion of women professors has increased by 2.35% to 28.04%.

Similar to previous years, the higher pay gap amongst academics is a consequence of continuing to recruit academic staff (research and teaching) in a global and highly competitive market in particular disciplines. Salaries for recruiting and retaining academic staff (research and teaching) in male-dominated quantitative disciplines have experienced, and continue to experience, very significant upward pressure. This is due to increased competition for scarce world-leading academic talent from both our global competitors and from the non-university sector. However, in spite of this and a low level of turnover amongst academic staff (research and teaching) (1.2% as of March 2022), continued work and review of current policies and strategies on retention and recruitment have provided meaningful impact in attracting and retaining women academics, professors, SMC members and senior office holder positions within the institution.

Professional Services Staff

For professional services staff, the median and mean have decreased by 2.27 percentage points and 1.85 percentage points respectively. This group of staff normally has the lowest pay gaps (with the median being in favour of women) and this year's report returns to this position following a slightly higher mean compared to research focused staff in 2020. These changes are a result of more women in PSS roles in this year's reporting period: 13.40% more women compared to 3.46% more men. Additionally, these changes increased the total hourly sum for women by 17.39% compared to 5.06% for men, demonstrating that more women were being hired and moved internally to higher paid jobs than men. As professional services staff are the largest group, the low mean and negative median pay gaps have a positive effect on the overall pay gaps for LSE.

⁵ LSE Fellows are career development roles which are usually no longer than three years in total, providing the opportunity for different cohorts of aspiring academics to gain experience in teaching and research.

Research Focused Staff

Research focused staff have continued to see a steady decrease in the mean and median pay gaps since 2020. In 2022, the mean gap decreased slightly by 0.83 percentage points and the median gap decreased by 3.51 percentage points. In terms of the overall number of research focused staff compared to last year, we have only seen a small increase at 0.46% in 2022. However, there has been a change in the balance of research focused staff across the salary bands for both women and men. Overall, there are a higher number of staff at the lowest salary band for research focused staff, and a lower number of staff at the higher salary bands compared to last year. This is as a result of more research assistant staff being appointed and a decrease in higher graded research focused staff. This resulted in the median hourly rate for both men and women decreasing, but by a greater extent for men. The median hourly rate for women decreased by 2.92% compared to a decrease of 6.32% for men. Like the median hourly pay rate, the mean hourly pay rates also decreased, but there was less of a difference between men and women. For women, the mean hourly rate decreased by 3.14% compared to decrease of 3.95% for men. This variation is mainly attributed to having two less men at the highest professor grade for research focused staff.

Gender Bonus Gap & Proportion of Men and Women Receiving Bonuses

Bonus pay (for the purposes of calculating bonus mean, median and proportions) is calculated on payments made from 1 April 2021 to 31 March 2022. These payments include lump sum contribution payments to reward exceptional performance, research incentive rewards and advance performance supplements.

Table 3 shows that 31.19% of men received bonus pay compared with 29.59% of women. The median gender bonus gap is 15.99% and the mean bonus gap is 65.02%, which represents a 14.78 percentage point and 0.62 percentage point increase respectively.

Figure 4: Bonus Pay Gap - Median

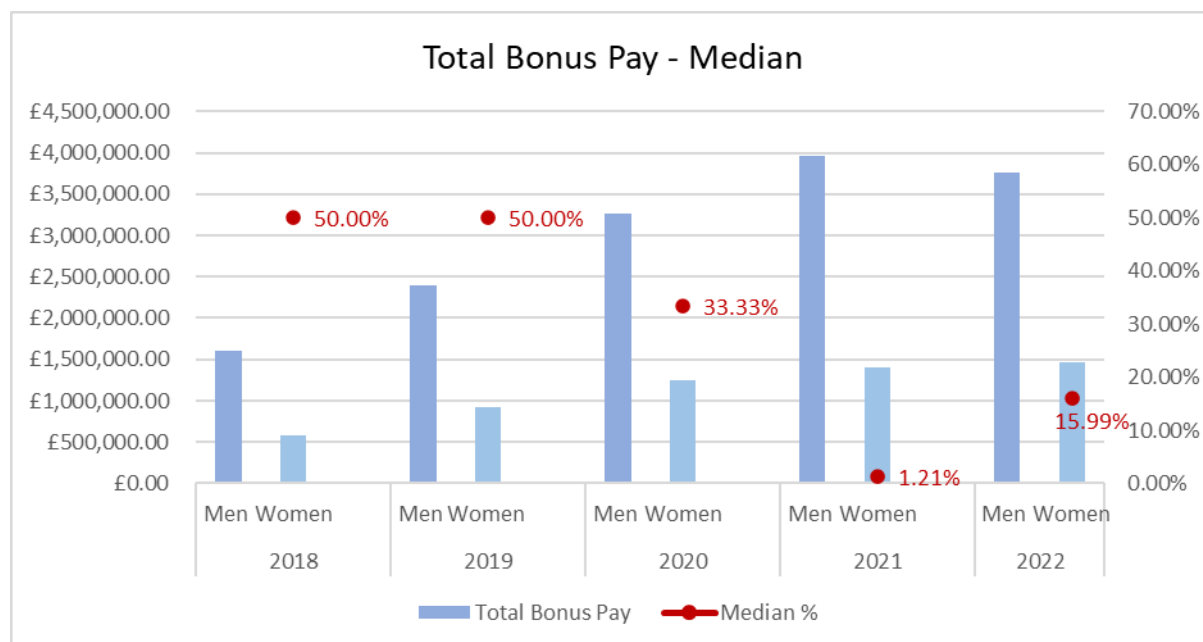


Figure 5: Bonus Pay Gap – Mean

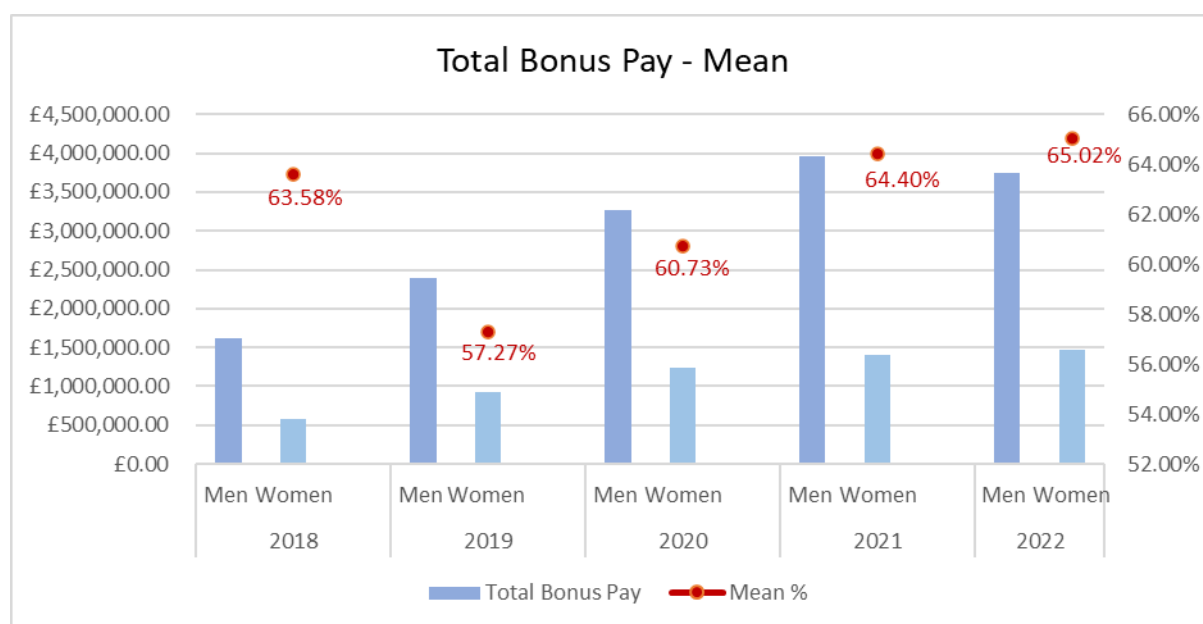


Table 3: Numbers and Proportions of Bonus Payments by Reference Year/Gender

Reference Year	Gender	Number	Proportion %
2018	Men	231	13.82%
	Women	230	13.36%
2019	Men	305	17.14%
	Women	275	14.59%
2020	Men	355	19.83%
	Women	343	17.60%
2021	Men	678	38.57%
	Women	675	34.35%
2022	Men	564	31.19%
	Women	630	29.59%

During this reporting period, the bonus total decreased for men by £209,094.83 compared to an increase of £62,242.51 for women. The reduction in the bonus total for men is largely due to the reduction in research incentive rewards. It should be noted that this reduction was a temporary adjustment due to delays in payment agreements being set up and is likely to return to normal levels in the next report.

The proportions and numbers of staff receiving bonuses decreased for both men and women compared to 2021, although they remain higher than in 2020 and previous years. This continues to be a result of the impact of the pandemic, during which contribution pay recurrent awards were only made in exceptional circumstances. This resulted in a higher number of one-off lump sum payments being made, which is represented in the proportions of staff receiving a bonus during that time. Although the proportion of men receiving bonus payments remains higher than women, the difference has reduced to 1.60 percentage points (31.19 % for men compared to 29.59% for women) compared to 4.22 percentage points in 2021 (38.57% for men compared to 34.35% for women%).

The principal reason for the bonus pay gap as well as the increase in total bonus pay is due to the steady increase in the amount paid in performance supplements. These make up 56% of the total bonus amount (an increase of five percentage points since last year). Men represent 73% of all recipients and currently receive 76% of the total amount for this award; this is similar to the previous year's figures. This is because performance supplements are replacing market supplements, which have been paid due to salary pressures in particular academic disciplines, which are mainly dominated by men. These

are subject to performance criteria and review periods and can be taken away if the performance is unsatisfactory.

The second largest bonus component, research incentive rewards, makes up 23% of the total (down by five percentage points since last year). Like performance supplements, male staff represent the larger proportion of all recipients (74%) and receive 84% of the total amount paid. The reason for research incentive rewards being awarded predominantly to men is due to two factors. Firstly, there are currently fewer women professors (28%) and professors are normally more successful in winning external research grants (62% of all research incentive reward payments were made to professors). Secondly, the departments which have been particularly successful in winning research grants are those that contain a majority of men.

The increase in the amount paid in performance supplements, the high proportion of research incentive rewards (which, together, make up 79% of total bonus payments) and the reduction in the proportion of women receiving bonus payments account for the small increase in bonus pay and the mean pay gap from the previous year – from 64.4% to 65.02%.

The last bonus category, contribution lump sum payments, are what can be considered as ‘traditional’ bonus payments. During this reporting period, these make up around 21% of total bonus payments (which is the same as last year) even though they are awarded to the highest number of staff members (85% of all bonus recipients). Contribution lump sum payments also represent the bonus category where the share of awards is more in favour of women (56% women/44% men) as well as the total amounts paid (52% women/48% men).

The increase in the median bonus pay gap reflects the fact that the majority of bonus awards are lump sum payments. These are paid at lower amounts compared to performance supplements and research incentive rewards and are more equally distributed between men and women. As a result, the median pay gap is affected to a lesser extent by the performance supplements and research incentive rewards given that these are smaller in numbers, but the gap will vary from year to year according to numbers and amounts of lump sum payments.

Tackling this bonus gap requires a strong focus on areas such as career progression for, and recruitment of, women, particularly in disciplines which tend to be male dominated. Understanding how to attract more female talent in male-dominated disciplines continues to be a key focus for us in the immediate future but also represents a significant challenge for the university sector as a whole.

Pay Quartiles

The table below show the proportion for men and women in each pay quartile throughout 2019 to-2022. This year, as in the past four years, both the upper and upper middle quartiles have shown an increase in the percentages of women; the lower quartile has seen a slight decrease in the percentage of men.

Quartile	Pay Quartiles 2022		Pay Quartiles 2021		Pay Quartiles 2020		Pay Quartiles 2019	
	Women %	Men %	Women %	Men %	Women %	Men %	Women %	Men %
Upper: 75-100% of full-pay relevant employees	40%	60%	39%	61%	38%	62%	37%	63%
Upper middle: 50-75% of full-pay relevant employees	62%	38%	59%	41%	58%	42%	55%	45%
Lower middle: 25-50% of full-pay relevant employees	55%	45%	56%	44%	56%	44%	56%	44%
Lower: 0-25% of full-pay relevant employees	58%	42%	57%	43%	56%	44%	58%	42%

Despite a further continued increase in the representation of women in the upper quartile, they still remain considerably less represented when compared to men. In turn, men continue to be less represented in each other quartile when compared to women. As in previous years, this reporting period has seen an increase of women in the upper quartile (60% compared to 57%) as a result of an increase in the number of women in higher paid salary bands but also more representation of women in the lower quartile (now at 58% compared to 54%) which is as a result of more women in the lowest salary band.

When considering the data by job category, professional services staff continue to have more women in roles in all quartiles. Teaching focused staff continue to have a stronger representation of men in every quartile, with an increase of 5% of men in the upper quartile, now at 64%. The breakdown of research focused staff shows that they continue to have an equal or higher representation of women in all quartiles, as was the case in the 2021 and 2020 reports. Finally, academic staff (research and teaching) continue to have more men in every quartile, with considerable margins in the upper (78% to 22%) and upper middle quartiles (64% to 36%). However, there has been an increase in numbers of women in the upper middle quartile (by 3%) and in the lower middle quartile (by 4%).

In previous reports, the main factor contributing to the gender pay gap has been related to academic staff (research and teaching) employed in higher paid male-dominated disciplines. Whilst this continues to be the case, it can be seen that the payments made to specialist teaching focused staff have heavily influenced the increase in the mean pay gap in this year's report. This is understood to be a direct result of fewer of these contracts being issued during the relevant period of last year's report because of the pandemic and related financial challenges. During the reporting period for this year's report, we have seen an increase in the number of these contracts either to pre-pandemic levels or above.

The data continues to show that reducing the gender pay gap amongst academic staff (research and teaching) is the major challenge for us in addressing the overall pay gap. Previous reports have highlighted that our commitment to improving the gender pay gap for academic staff (research and teaching) will take time as this is a category with long lag times of career progression (e.g. it normally takes between 10-20 years to move from assistant professor to full professor) and specific recruitment challenges in high-paying and male-dominated disciplines.

Addressing the Gender Pay Gap at LSE

LSE takes a holistic approach to tackling the gender pay gap and addressing the cultural and structural issues that are creating the gap. As mentioned in the introduction, the Athena SWAN action plan is comprehensive and situated in relevant reporting and accountability structures. It includes objectives on increasing the recruitment of women and on their career development which will improve the proportion of women faculty and women professional services staff at the most senior levels and contribute towards closing our gender pay gap.

The latest draft LSE Gender Equity Framework (GEF) comprises three phases. The first is now complete, namely, to engage the LSE community to shape thinking about the GEF, and the second – focusing on engaging the LSE community to refine and build buy-in to the draft GEF – is ongoing. Once complete, work will move to the next phase - engaging the LSE community to refine and build buy-in to the draft GEF. Progress is overseen by the Gender Equality Steering Group consisting of representatives from staff networks, LSESU, EDI Reps and external partners such as Athena SWAN representatives.

LSE's Race Equity Framework (REF) is currently being revised and updated. It focuses on six key priorities which include supporting BAME professional services staff and ensuring diversity of professional services staff at higher grades and helping to build a more diverse pipeline of future social scientists. The Race Equality Action Plan breaks these down into key objectives. This work can be seen below in some of our current actions and will be fundamental in moving forward our overall strategic commitment to equity, diversity, and inclusion.

LSE is committed to regularly analysing the gender pay gap data and relevant trends to understand what steps can be taken to improve the gap. Such actions – both those that have already been taken and those that are in progress – are included below.

Ongoing Actions

Actions taken to support us in reducing our pay gap, which have now become embedded into normal processes, include the following:

- When recruiting for academic staff (research and teaching) (teaching and research), it is our general policy to predominantly hire at the Assistant Professor level, where the opportunity to recruit more diversely is greater and which also gives us a pipeline for future senior appointments. We ensure that there is always at least one woman on the selection panel, and the panel is advised to 'pause for thought' at the shortlisting stage if those selected are of only one gender.
- Where appropriate, positive action is used to address shortfalls in the proportions of women academics in the male-dominated academic disciplines, such as allowing additional candidate offers where women are appointable at interview. Available benchmarking shows that we are making progress in at least one of the higher paid academic disciplines in terms of numbers of women when compared to other peer institutions.
- The mentoring scheme for academics considers promotions-oriented and other more general career support that is provided to junior colleagues to support them in being able to go up for promotion as early as possible.
- Heads of Department provide an account for all associate professors of their future promotions trajectory in their annual meeting with the Pro-Director, Faculty Development.
- Contributions to citizenship is a criteria for promotion of academic staff (research and teaching) (teaching and research) in order to highlight the importance of this aspect of work; this is likely to have a positive impact for women in recognising the 'hidden work' that some staff members carry out for their colleagues and students.
- Our Academic Appointments Committee continues to monitor academic appointments, retention, and promotion and review data closely, evaluating diversity data and where appropriate, updating policy and procedures to support the strategic aims to improve the gender pay gaps.
- Starting salaries and contribution pay for both academic and professional services staff is regularly monitored, and equality data provided so that possible patterns of under-representation can be considered and analyses undertaken to ensure that new awards/salaries are consistent.
- Women academics are effectively supported by the Research and Innovation Division when applying for research grants, e.g. by promoting events about research opportunities via the Gender Equality Forum.
- Apprenticeship training schemes, secondment opportunities and collaborative joint working projects, which have been successful in encouraging internal movement and career progression, are being continued to drive forward improvements in the retention rates particularly amongst professional services staff.
- Specific contribution pay budgets for staff groups who are required to work onsite on a full-time basis, which are targeted towards the lower salary pay bands, have been incorporated into the annual contribution procedures.

The 'Future Ways of Working' Programme has been embedded into working practices and culture, ensuring that hybrid ways of working can support all staff groups.

Current Actions

In addition, actions currently being taken include the following:

On pay

- Following an initial ethnicity pay analysis, further work has been undertaken to ensure that fairness and transparency is being applied with regards to equal pay within the professional services staff job group.
- To further support pay equity, contribution pay guidelines have been updated to encourage line managers to address any equity considerations when making cases. This will be monitored.
- We have expanded our involvement in external pay benchmarking surveys to feed into the ongoing reviews of our pay policies. This will specifically help us to better understand market pay conditions by widening the number of job categories we can benchmark on and breaking these data sets down by gender and ethnicity.

- Returning recurrent pay budgets to pre-pandemic levels along with increasing overall contribution pay budgets.
- Embedding the new disability policy within the workplace through regular training sessions and the follow-up launch of the disability pocket guide on managing reasonable adjustments. Recruitment is underway to appoint a Disability and Mental Health Adviser which will, among other responsibilities, aim to improve the processes by which appropriate means of support, especially reasonable adjustments, are agreed and implemented for disabled staff.
- Supporting staff with the increased cost-of-living pressures with an additional one-off payment of £1,000 pro-rated to a minimum payment of £300 to all eligible staff.
- Following discussions with both the local trade unions and the internal Parents and Carers Network, a number of entitlements and provisions to the maternity and paternity policies have been approved. These include:
 - Removal of the qualifying period for maternity and paternity leave and pay
 - Increase in maternity pay from 18 to 22 weeks at full pay
 - Increase in paternity pay from 2 to 4 weeks at full pay
 - Introduction of neonatal leave provisions for both maternity and paternity.

On recruitment and retention

- The results from the latest 2022 staff pulse survey show the continued positive change across all staff groups contributing to better wellbeing and work life balance outcomes which has been particularly evidenced in the results for women within the workforce.
- We are working on increasing the range of benefits structures to complement and improve upon the benefits package currently available to staff. Continued work on engaging all staff groups to take advantage of current benefits has resulted in increased engagement in 'Financial Wellbeing' awareness and increased use of our staff benefits and discount platform.
- To create more stability for non-permanent staff groups, work is underway to review contract types and contractual terms. This includes consideration of resource planning and workforce requirements.
- Providing greater capabilities both internally and externally with support of recruitment partners to improve the reach of talent/advertising searches to increase and monitor application rates and talent pools for professional services roles.
- In consultation with our internal staff Gender Equality Forum, we have agreed to a number of commitments to support the progression of women within academia, including auditing academic leavers, providing appropriate transparent data on retention and contribution pay and investigating the speed of promotions data by gender and ethnicity.

On career progression

- Following consultation with students and staff parents, we partnered with three nursery providers to provide effective childcare support to the LSE community and allow both staff and students to manage work life and study commitments whilst raising a family in London. The partnerships offer discounted nursery fees with the added benefit of enabling staff to use salary sacrifice schemes.
- In recognition of the potential intersectional implications of the gender pay gap, we have been working on a number of measures to improve support for disabled staff, including updated career development guidance for academic, research, teaching and policy staff to provide additional opportunities to share information about a disability and discuss potential reasonable adjustments so that an individual is appropriately supported in their career development, or provide an opportunity to evaluate existing adjustments in place.
- Once approved, the Race Equality Action Plan's priorities and objectives to improve career development will be taken forward. Actions in the current draft plan include improving transparency and clarity on key internal policies and processes and improving the feedback loops and enhancing the career development support for PhD students, LSE Fellows and early career researchers from under-represented backgrounds. For professional services staff at lower grades, we will be evaluating the experience and career trajectory of staff on grades 1-4, including fixed-term and part-time staff, and developing proposals based on this.

Summary and Conclusion

LSE is committed to reducing the gender pay gap significantly over the medium term. We are pleased to note that there have been improvements during this and previous reporting periods; in particular, this year's report continues to demonstrate the steady decline in the median that we have seen since 2018. We are conscious that, in the short-term, as with the national statistics, there are likely to be fluctuations in both directions. However, we are confident that we are on a positive trajectory and will continue to see overall improvements as the identified actions continue to become embedded into our processes and practices that are in place continue to improve diversity as a whole. It is acknowledged that although overall progress has been made, increasing the pipeline for women in the higher-paid academic disciplines continues to be our predominant challenge and will take time. However, we are ensuring that through our attraction and retention strategies for academic (teaching and research) staff, we can maximise our potential to improve this situation where possible.

Appendix 1

Background information and Terminology

To support understanding of our gender pay gap, we need to distinguish between ordinary pay and bonus pay:

- Ordinary Pay includes basic pay, shift premium pay, pay for piecework, supplements and honoraria payments, additional responsibility allowances and any allowances for roles such as first aiders. All ordinary pay is calculated on gross amounts. Ordinary pay does not include overtime, redundancy or termination payments or pay in lieu of annual leave.
- Bonus pay includes lump sum contribution payments to reward exceptional performance, research incentive rewards and advance performance supplements. Research incentive rewards provide financial rewards for academic staff (research and teaching) who win research funding. The amounts are calculated on the basis of the income recovered from funders to cover the costs of the salaries of principal investigators (PIs) and co-investigators (Co-Is), Advance performance supplements are made in order to recruit or retain staff in recognition that an individual may be on a career trajectory which makes them highly attractive to other employees. They are subject to a review period and review criteria. Whilst contribution payments are open to all staff categories, research incentive rewards only apply to academic staff (research and teaching) and academic staff (research and teaching) hold the vast majority of advance performance supplements⁶.

'Gender pay gap' is not the same as 'equal pay', which relates to the pay that people receive when doing the same or a similar role. It is also not the same as 'pay equity', which, for example, with academic staff (research and teaching), relates to the pay that faculty coming from the same discipline receive at the same pay band (e.g., at the associate professor level) within the same department.

When considering equal pay and pay equity, we have policies and procedures in place for setting pay levels across the organisation and use a job evaluation system to ensure that jobs of equal value are paid consistently. Relevant annual contribution pay policies include provision for equity-related pay increases should it be necessary for an ad hoc case for adjustments to be made on an exceptional basis.

We report two measures of the gender pay gap, one based on median pay and one based on mean pay. The median pay gap is the difference between the mid-point of pay rates for men and the mid-point of pay rates for women divided by the mid-point of pay rates for men. The mean pay gap is the difference between the average pay rates for men and the average pay rates for women divided by the average pay rates for men.

⁶ It should be noted that any bonus payments made in March will also form part of the calculation for Ordinary Pay.