



Office for
Nuclear Regulation

HR DIRECTORATE

**OFFICE FOR NUCLEAR
REGULATION GENDER PAY
REPORT 2019**

July 2019

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Foreword by David Caton, ONR's Human Resources Director

To achieve our strategic objectives, ONR needs an engaged, capable and diverse workforce that feels valued and is committed to ONR's goals. We understand that key to this is establishing a culture where our people feel proud to work for us and that they are all valued for their personal contribution regardless of role.

As ONR takes steps to establish its own culture, with a particular focus in improving its diversity and inclusivity, we must ensure that how we recognise and reward the contribution of all is an important element of that.

This report is seen as an important focus and catalyst to helping us understand and address some of the issues in making that change. We have already begun to identify and tackle concerns that this report highlights and are fully committed, including at Board and Senior Leadership Team level, to continue to take action and report on our progress.

The report highlights the degree of challenge that we face, but we remain resolute in our desire to work tirelessly to continuously improve to be able to meet those challenges.

Dave Caton

HR Director

19 June 2019

Office for Nuclear Regulation – Gender Pay Report 2019

This is the Office for Nuclear Regulation’s (ONR) third Gender Pay Report.

It is based on a “snapshot” of the pay of all ONR employees as at 31 March 2019, as well as annual payments and bonuses which were paid between 1 April 2018 and 31 March 2019.

The report has been produced in line with the guidance in the Equality Act 2010 and associated ACAS guidance “Managing gender pay reporting”, February 2019.

Why do we have to report on our gender pay gap?

The Equality Act 2010 (Specific Duties and Public Authorities) came into force on 6 April 2017 and requires public sector organisations to publish their results against six prescribed indicators of gender pay equality.

As an organisation we are interested in this information as we strive to build greater equality across a more diverse and inclusive workforce. This is in line with our People Strategy and we are committed to our aim of making ONR a great place to work as is to be expected of us as a world class regulator.

This report helps us to better understand and focus on the issues, holding ourselves to account as we plan actions to improve on our current position.

What do we have to report about our gender pay gap?

We need to report against six prescribed organisation-wide indicators to show the difference between the average earnings of men and women in the organisation. We have included additional information in this report to provide a broader context in understanding the organisation in relation to the gender pay gap.

When and how do we have to publish the information?

We are publishing ONR’s gender pay gap results through this report. This report contains background context to the results as well as plans to address issues relating to the gender pay gap.

We have included the summary in our Annual Reports and Accounts and the prescribed gender pay gap indicators have also been uploaded to the government website: <https://gender-pay-gap.service.gov.uk/>

What do we have to report?

The legislation requires ONR to report against the following 6 prescribed organisation-wide gender pay gap indicators for 2019:

Gap	Description	% Difference															
Mean gap	The difference between the mean* hourly rate of pay of men and women *average pay for all men and average for all women employees	27.00% Difference in hourly rate of men (£39.28) and women (£28.66)															
Median gap	The difference between the median* hourly rate of pay of men and women * middle value of pay for all men and middle value for all women employees	41.13% Difference in hourly rate of men (£40.30) and women (£23.73)															
Mean bonus gap	The difference between the mean* bonus paid to men and women *average bonus for all men and average for all women employees	-9.5% Difference in bonus pay of men (£1,595.84) and women (£1,746.81)															
Median bonus gap	The difference between the median bonus pay paid to men and women *middle values of bonuses paid to all men compared to all women employees	0.00% Difference in bonus payment of men (£1,400.00) and women (£1,400.00)															
Bonus proportions	The proportions of men who were paid a bonus and women paid a bonus	25.4% of men Received a bonus payment compared to 28.6% of women															
Quartile pay bands	The proportions of men and women in the lower; lower middle; upper middle; and upper quartile pay bands	<table border="1"> <thead> <tr> <th></th> <th>Men</th> <th>Women</th> </tr> </thead> <tbody> <tr> <td>Q1 (Lower)</td> <td>35.2%</td> <td>64.8%</td> </tr> <tr> <td>Q2</td> <td>65.0%</td> <td>35.0%</td> </tr> <tr> <td>Q3</td> <td>79.9%</td> <td>20.1%</td> </tr> <tr> <td>Q4 (Upper)</td> <td>83.00%</td> <td>17.00%</td> </tr> </tbody> </table>		Men	Women	Q1 (Lower)	35.2%	64.8%	Q2	65.0%	35.0%	Q3	79.9%	20.1%	Q4 (Upper)	83.00%	17.00%
	Men	Women															
Q1 (Lower)	35.2%	64.8%															
Q2	65.0%	35.0%															
Q3	79.9%	20.1%															
Q4 (Upper)	83.00%	17.00%															

Overall results

Although there remains a significant gap, these organisation-wide results show that ONR has a mean gender pay gap of 27%; we are pleased to see that this has reduced from 35.2% in 2018. This continued gap is to be expected given ONR’s workforce profile and that of the industry from which we recruit.

We are confident that our gender pay gap does not reflect an equal pay issue or that it is related to paying men and women differently for the same roles.

Within ONR, underlying issues relate to the profile of our workforce and specifically the majority of men that are employed at higher graded levels in technical specialist roles. A pay premium is required for these roles to attract and retain niche skilled employees in a competitive global market. Most women are employed in lower graded roles within the corporate and operational support functions. This gender split is largely structural as for many years ONR has recruited its technical specialists in the higher grades from an education system and nuclear industry where men predominated in the Science, Technology, Engineering and Mathematics (STEM) subjects.

Further breakdown of the results

Grading level

ONR’s workforce profile by grading level is shown below:

Table 1: ONR number of men and women employed at each grading level as at 31 March 2019

2019 ONR Employees by gender and grade	Band 1	Band 2	Band 3	Band 4	Band 5	Band 6	SCS 1	SCS 2	Non- Exec	Total
Female	9	37	56	30	40	40	3	1	4	220
Male	27	152	174	29	13	25	5	1	2	428
Total	36	189	230	59	53	65	8	2	6	648
% Female	25.0%	19.6%	24.3%	50.8%	75.5%	61.5%	37.5%	50.0%	66.7%	34.0%

A further breakdown of the ONR data for 2018-19 shows that across specific peer groups (grading level and specialism); the gender pay gap is far less pronounced.

Overall, ONR employs a higher percentage of men (66%) than women (34%). The proportion of men employed in higher grades is significantly greater at 85% within the senior Bands 1-3.

Women strongly predominate in the lower grades (Bands 4 – 6). We are pleased to highlight that there are an equal number of men and women in the most senior grades/roles (SCS 1/2 and Non-Executives).

Table 2: ONR 2019 mean gender pay gap at each grading level

ONR 2019 Mean gender pay gap calculation	Band 1	Band 2	Band 3	Band 4	Band 5	Band 6	SCS 1	Board Memb er	ONR
A - Hourly pay rates of Males divided by number of Males	£53.2 5	£46.5 6	£36.2 8	£21.0 3	£15.6 7	£13.7 5	£79.6 0	£49.57	£39.2 8
B - Hourly pay rates of Females divided by number of Females	£45.3 4	£42.2 5	£34.4 9	£19.8 2	£17.1 2	£11.8 3	£94.1 3	£40.55	£28.6 6
Formula (A-B)/A x 100	14.9%	9.2%	4.9%	5.7%	-9.2%	14.0%	-18.3%	18.2%	27.0%

Note: columns showing results for SCS 2 and Assurance and Risk Assessment Committee Non-Executive have been excluded due to identifiable data. The data is included in the ONR total results.

Whilst the overall mean gender pay gap is still significant at 27% there has been a gender pay gap reduction of 8.2% in the last 12 month period. This is a positive reflection of the work that we have started.

At the Senior Civil Service (SCS) equivalent level there has been a significant improvement of 12.4% in favour of women. This reflects a positive approach demonstrating pay equality in the most senior roles of the organisation.

We have seen a positive trend for those at Bands 1 – 3 in both nuclear technical and corporate support functional specialist roles with a reduction in the pay gap of 9.8%. While there still remains a pay gap of 29% at this level we are pleased at the positive impact in part from the introduction of Competency Pay Progression (CPP). CPP was introduced in autumn 2017. It provides a clear path for individuals to progress their pay in their existing grade whilst developing their skills and competencies; and being rewarded financially for their enhanced contribution. This has helped to create a greater equality of opportunity for all genders to progress.

Women are predominantly employed in ONR's lower paid bands (Bands 5 and 6), where there is a mix of corporate and operational support roles.

Table 3: ONR 2019 median gender pay gap at each grading level

ONR 2019 Median hourly rate	Band 1	Band 2	Band 3	Band 4	Band 5	Band 6	SCS 1	Board member	ONR
A Median hourly rate of Males	£51.00	£46.98	£38.48	£18.40	£15.19	£11.35	£79.81	£49.57	£40.30
B Median hourly rate of Females	£43.89	£44.11	£34.23	£18.29	£15.22	£11.32	£116.25	£40.34	£23.73
Formula (A - B) / (A) x 100	13.94%	6.11%	11.04%	0.59%	-0.19%	0.22%	-45.65%	18.63%	41.13%

Note: columns showing results for SCS 2 have been excluded due to identifiable data. The data is included in the ONR total results.

The overall median gender pay gap is significant at 41.13%, but again the breakdown for each grading level is more positive. The gap at the higher grades reflects the greater prominence of men towards the top of the pay scales in technical roles, which attract a premium rate. This will continue to be eroded through CPP.

Specialism: technical specialists / support (corporate and operational) roles

The workforce profile across all our roles and bands is shown below:

Table 4: ONR number of men and women by specialism and grading level as at 31 March 2019

Bands	Corporate & Support Males	Corporate & Support Females	Technical Specialists Males	Technical Specialists Females	Total
Band 1	2	5	25	4	36
Band 2	12	15	140	22	189
Band 3	13	22	160	35	230
Band 4	17	22	12	8	59
Band 5	13	40	0	0	53
Band 6	17	37	0	0	54
SCS1	1	2	4	1	8
SCS2	0	1	1	0	2
total	75	144	342	70	631
Percentage %	34.25	65.75	83.01	16.99	

For technical specialist roles, the number of women remains low (20% or less) in all areas. We are looking to improve this through more diverse recruitment channels and how we market ONR as an organisation that seeks a more diverse workforce which enables everyone to progress. Addressing this gender imbalance is the key to making a substantial change to the gender pay gap.

In the corporate support roles, the proportion of female employees is reasonably equal to or higher than the ratio of males.

Table 5: ONR new starters over last 3 years by specialism

New starters	2015/16		2016/17		2017/18		2018/19 (position as at 31.3.19)	
	Men	Women	Men	Women	Men	Women	Men	Women
Technical specialists	33	6	42	10	23	9	30	6
% Technical specialists		15.4%		19.2%		28.1%		16.6%
Support roles (corporate and operational)	1	4	8	11	15	34	10	17
% Support roles		80%		57.9		69.3%		29.8%

We have sought to open new recruitment pipelines with mixed success. We recognise the need to recruit a higher proportion of women into our workforce and particularly into our technical specialist roles.

Table 6: ONR 2019 mean gender pay gap by specialism

	Band 1	Band 2	Band 3	Band 4	Band 5	Band 6	SCS 1	ONR
TECHNICAL SPECIALISTS								
A - Hourly pay rates of Men divided by number of Men	£ 54.60	£ 47.91	£ 36.95	£ 21.33			£ 77.51	£ 42.90
B - Hourly pay rates of Women divided by number of Women	£ 53.49	£ 49.02	£ 40.23	£ 21.03			£ 116.25	£ 42.64
Formula (A-B)/A x 100	2.0%	-2.3%	-8.9%	1.4%			-50.0	0.6%

Band 1	Band 2	Band 3	Band 4	Band 5	Band 6	SCS 1	ONR
						%	

Band 1	Band 2	Band 3	Band 4	Band 5	Band 6	SCS 1	ONR	
CORPORATE/SUPPORT								
A - Hourly pay rates of Men divided by number of Men	£36.36	£30.73	£23.80	£20.82	£15.67	£13.75	£87.96	£21.74
B - Hourly pay rates of Women divided by number of Women	£38.82	£32.33	£25.35	£19.38	£17.12	£11.83	£83.08	£21.54
Formula (A-B)/A x 100	-6.8%	-5.2%	-6.5%	6.9%	-9.2%	14.0%	5.6%	0.9%

Note: columns showing results for SCS 2 have been excluded due to identifiable data. The data is included in the ONR total results.

In considering whether there are any equal pay issues within ONR, we have compiled the data by band to compare specialists by gender and corporate support function staff by gender. This confirms there is a negligible difference and provides reassurance that there is no equality pay issue.

	Male s	Femal es	Total	Average hourly rate	Males	Female
Corporate	47	82	129	£ 25.64	£ 25.24	£ 25.87
Divisional Support	28	62	90	£ 15.82	£ 15.86	£ 15.80
Technical Specialists	342	70	412	£ 42.99	£ 43.06	£ 42.64
Totals	417	214	631			

What else do we need to do?

This report is just the start. It is helpful in presenting an analysis of the organisation in relation to gender pay issues and for highlighting where we may focus attention to better understand and address areas of concern. It is a tool in our wider approach to identifying and tackling areas of diversity and inclusion across the organisation. However, we recognise that there are few quick wins. This gender pay analysis indicates that many of the factors are structural and our strategy (running alongside that of the nuclear industry from which ONR necessarily draws most of its resource) is to seek a longer term improvement, over the next 5 – 10 years.

The aim going forward is to draw more women into technical specialist and more senior roles. This will largely be done by continuing to support the recruitment pipelines which reach a more diverse field of candidates and continuing with our gender neutral attraction and selection processes, aimed at both attracting and retaining the best person for the job.

What are we doing to close the gender pay gap?

We recognise that the significantly higher proportion of men in our more highly paid technical specialist roles will continue to lead to a gender pay gap. We have already acknowledged that a diverse workforce, that is more representative of society on behalf of which we hold the industry to account, is key to achieving our strategic aims and being a world class regulator.

We are committed in our strategies and plans to improve our diversity at all levels. Being successful in addressing these diversity issues will impact directly on addressing the issues that the gender pay analysis has highlighted. Some of the work we have been doing recently to support this is outlined below:

Improving representation of women in our workforce

To close the current gender pay gap (and improve our diversity more generally) we must continue to improve our ability to attract females into higher paid nuclear specialist and higher band roles. Our recruitment strategy aims to achieve this by the following activities:

- *Promoting ONR to others* - over the last year we have focused our recruitment campaigns and websites on demonstrating diversity of opportunities at all levels and specialisms for diverse candidates. For example e.g. we have developed “YouTube” style video clips on our website which feature female role models including those in senior leadership roles.
- We are engaging externally with organisations such as Women in Nuclear (our Chief Executive, Adrienne Kelbie is patron) and Powerful Women; and Creating Inclusive Cultures to increase our profile and explore alternative approaches to improve the perception of ONR as an employer of choice across genders. We are members of the Nuclear Skills Strategy Group (Equality, Diversity & Inclusion Group), which brings together organisations from across the nuclear industry. It has a clear focus on supporting the Nuclear Sector Deal, which commits to

meeting the government’s target for 40% of nuclear industry employees to be female by 2030.

- *Selection arrangements* – we have “name/gender-anonymous” selection and use gender neutral wording throughout our recruitment process, to remove unconscious bias at an early stage. All selection panels (for external or internal recruitment) have at least one female panel member as far as practically possible. All selection panels have a HR professional involved as a panel member or advisor. We review our recruitment and selection processes annually to ensure any equality issues are identified.
- *Senior leadership roles* - we are proud of the fact our Board is now equally split by gender and we have 21% of women in senior leadership roles at SCS to Band 2.
- *Nucleargraduates scheme* - since 2014, ONR has sponsored an annual cohort participating in the industry-wide “nucleargraduates” graduate training programme, and a further cohort will start in autumn 2019. To date, over 30% of the ONR sponsored participants have been women. We are also pleased that so far 11 women have subsequently joined or committed to join ONR as technical specialists on permanent appointments through this route.
- *Degree level apprenticeships* – in September 2019, we will launch our first degree level apprenticeships in Nuclear Engineering and Science. This is a change to our traditional practice of recruiting nuclear specialists with a minimum of a first degree. We are looking to develop a new talent pipeline that allows people to combine both the academic study from a traditional university degree and the practical experience and wider employment skills from working in a nuclear environment.

Starting young – our support for STEM (Science, Technology, Engineering and Mathematics) activity

- We have developed a STEM strategy supporting the Nuclear Energy Agency on “Mentoring a Future Generation of Female Leaders in Science and Engineering.” We can directly impact directly young people and girls in particular by inspiring and supporting the next generation of nuclear specialists and positively improve the gender balance. ONR staff can play a vital role in inspiring future generations of women engineers and scientists, both through our work in ONR or by supporting other bodies with which we’re proud to be connected.
- ONR actively supports our staff as STEM Ambassadors, getting involved in a range of activities, which can have an impact on young people’s learning and enjoyment of STEM subjects. We have hosted a number of school-aged children undertaking a period of work experience in the organisation. We will continue to engage with schools, colleges and universities to encourage the take up of STEM subjects by all genders and seek to attract more female applications into the industry and potentially ONR.

Developing our women

- Building on research we did to consider potential barriers to women's career progression, we have reviewed and revised our leadership and management development programmes. These now provide all leaders with awareness and unconscious bias training, setting out our expectations around diversity and inclusion. We have had some success in increasing the gender balance with 30% of those achieving promotion during 2018 being women.
- We achieved the National Equality Standard in December 2018 and as part of our commitment to continue to improve we are looking to offer additional support to those with caring responsibilities. We recognise the value of all of our staff with caring responsibilities and want to help them fulfil their potential and contribution to the success of ONR. As part of the development of a wider portfolio we have started with the development of a maternity, paternity and adoption buddy scheme. This will support those staff expecting or adopting a baby to feel supported both during pregnancy, on maternity, paternity or adoption leave and on their return to work.

Flexible working

Often cited as an impediment to better gender balance, our policies on flexible working arrangements are consistent with best practice. However, we recognise that their understanding and application is not as consistent as we would want.

We actively encourage take up of our policies to support everyone with caring responsibilities and to achieve a good work/life balance.

We will continue to promote flexible working actively and positively at all levels in the organisation. This will remain a key focus for manager and staff briefings as well as core management development workshops and training.

We advertise flexible working on our website and in our job vacancies in recognition that many highly skilled individuals are looking for flexibility in working hours.

Performance Pay Awards

- We do analysis at key stages of our performance management process including moderation panels at both mid and end of year. These panels focus on diversity specific issues and panel chairs and independent HR observers need to confirm no evidence of conscious or unconscious bias. We have strengthened our guidance during 2018 to ensure there is clarity for panel chairs and to provide support and guidance to line managers making assessments; facilitate sharing best practice and experiences; and support and test fairness and transparency in the performance review process.
- We have seen a gender balance in bonus values with an increase in bonus payments in favour of women. This is partly due to the use of an

average salary for the grade to set bonus levels and outcomes from the work that we have undertaken to reduce unconscious bias; supported by the introduction in 2018 of our Behavioural Framework as an integral part of our performance management. We will continue to review our performance management process throughout 2019 to ensure that we eliminate any form of bias.

Pay

- The introduction of competence-based pay progression has had a positive impact in helping to address the gender pay gap across grading levels given the higher ratio of men already at the top of their respective pay scales (a legacy based on length of service that has now been removed).

Why should we do this?

The business case for diversity and inclusion is already well known and evidenced. From creating a more motivated, engaged and therefore more productive workforce, to the positive impact that a more diverse and balanced team has on improved decision making and strategic focus for an organisation.

We recognise the benefits of a more gender balanced workforce to help us meet our strategic aims, by enhancing our professional knowledge, bringing challenge and new perspectives, and providing a working environment in which everyone achieves their full potential. To do this we are positive that ONR must have a culture which supports women and their progression to greater levels of representation at more senior levels.

ONR is committed to its vision of being an exemplary regulator that inspires respect, trust and confidence. We recognise the important obligation we have, on behalf of the public, in holding the nuclear industry to account. We do this through our people and it is incumbent on us to provide a great workplace and positive culture that enables us to get the best out of all our staff. Identifying and addressing diversity issues, including those highlighted in this report are integral to improving our delivery and influence on issues of nuclear safety, security and safeguarding.

