

**EQUALITY IMPACT ASSESSMENT (EIA)
ON PROPOSED CHANGES TO UoDSS**

February 2022

DRAFT

(a) What is the workforce profile in relation to employees' declarations on being covered by one or more of the nine protected characteristics; race, disability, age, gender reassignment, marriage and civil partnership, pregnancy and maternity, religion and belief, sexual orientation and sex according to scheme membership? (Reported as individuals irrespective of hours worked, including fixed term contract staff employed at the time of the Assessment).

Disability

	Declared Disability	No Known Disability	Information Refused	Information Not Available	Total	Staff with Declared Disability %
UoDSS Members	48	869	14	3	934	5.1
Eligible for UoDSS	16	335	8	14	373	4.3
USS Members	83	1838	48	23	1992	4.2
Eligible for USS	15	332	9	34	390	3.8
Members of other Schemes	4	80	0	1	85	4.7

Table 1 Pension Membership Disability

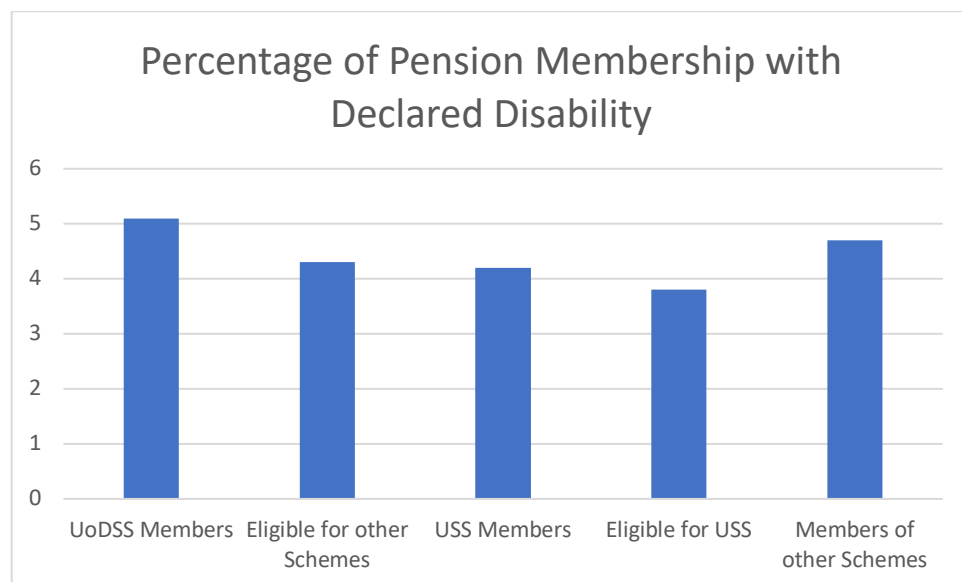


Figure 1 Pension Membership Disability

Age

	< 20	20 - 29	30 - 39	40 - 49	50 - 59	60 - 64	>= 65	Not Known	Total
UoDSS Members		148	197	199	255	116	19		934
Eligible for UoDSS	19	125	60	28	50	36	54	1	373
USS Members		101	487	594	581	168	61		1992
Eligible for USS	2	95	116	73	48	22	31	3	390
Members of Other Schemes	0	2	19	22	32	7	3	0	85

Table 2 Pension Membership Age

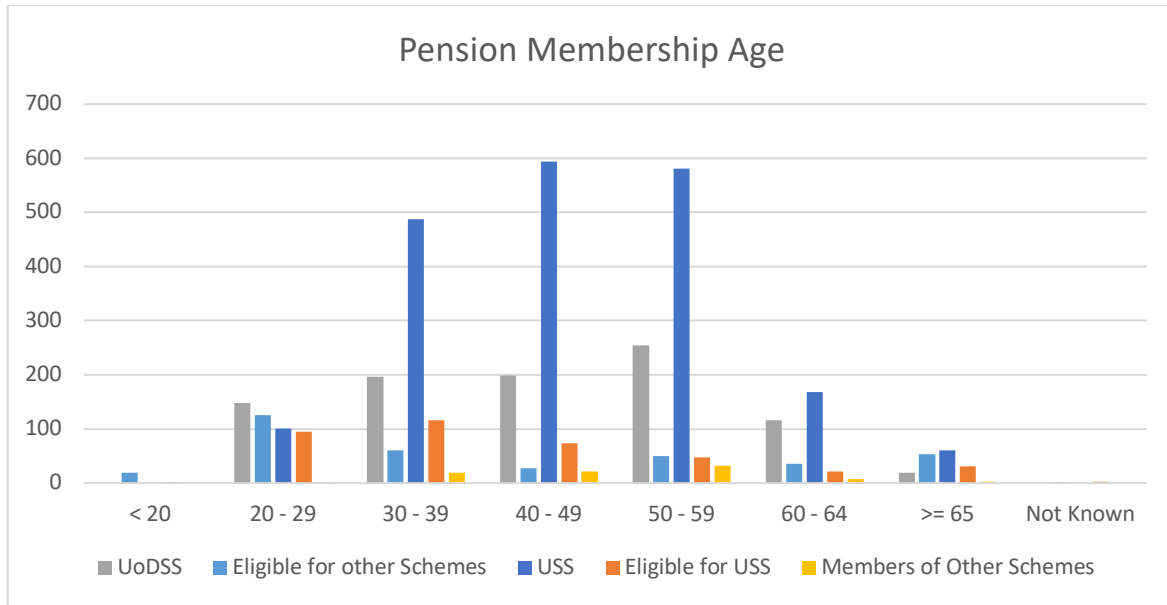


Figure 2 Pension Membership Age

	< 20	20 - 29	30 - 39	40 - 49	50 - 59	60 - 64	>= 65	Not Known	Total
UoDSS Members		148	197	199	255	116	19		934
Eligible for UoDSS	19	125	60	28	50	36	54	1	373
% Eligible Staff not in UoDSS	100	45.8	23.3	12.3	16.4	23.7	74	100	28.5

Table 3 Percentage of Eligible Staff not in UoDSS by Age Range

Ethnicity

	BAME	White	Information Refused	Information Not Available	Total
UoDSS Members	31	860	11	32	934
Eligible for UoDSS	46	270	4	53	373
USS Members	256	1646	46	44	1992
Eligible for USS	92	232	12	54	390
Members of other Schemes	12	73	0	0	85

Table 4 Pension Membership Ethnicity

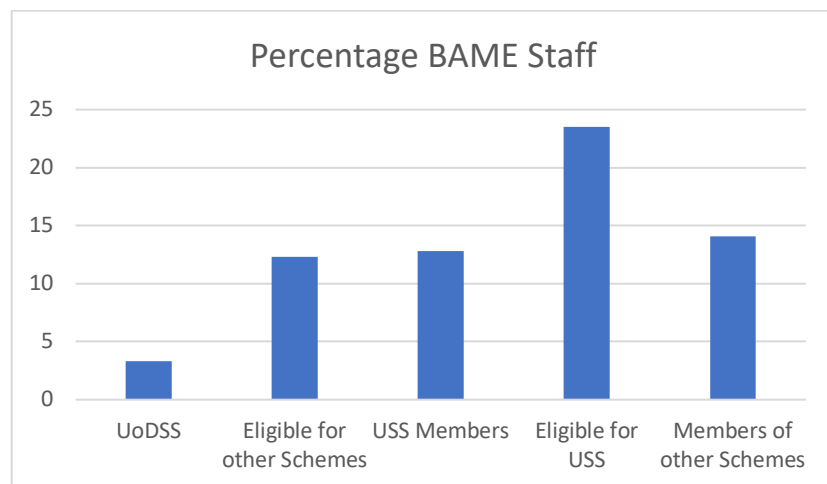


Figure 3 Percentage of Membership that is BAME

	BAME	White	Information Refused	Information Not Available	Total
UoDSS Members	31	860	11	32	934
Eligible for UoDSS	46	270	4	53	373
% Eligible Staff not in UoDSS	59.7	23.9	26.7	62.4	28.5

Table 5 Percentage of Eligible Staff Not in UoDSS by Ethnicity

Religion and Belief

	Buddhist	Christian	Hindu	Sikh	Jewish	Muslim	Spiritual	Any other religion or belief	No Religion	Information Refused	Not known	Total
UoDSS Members	2	181	2			13	4	2	357	36	337	934
Eligible for UoDSS	2	78	4	1	1	12	3		119	10	143	373
USS Members	12	411	29	4	5	31	8	5	803	136	548	1992
Eligible for USS	4	83	21	1		28	3	3	139	26	82	390
Other Schemes	0	27	2	0	0	3	0	0	22	2	29	85

Table 6 Pension Membership Religion and Belief

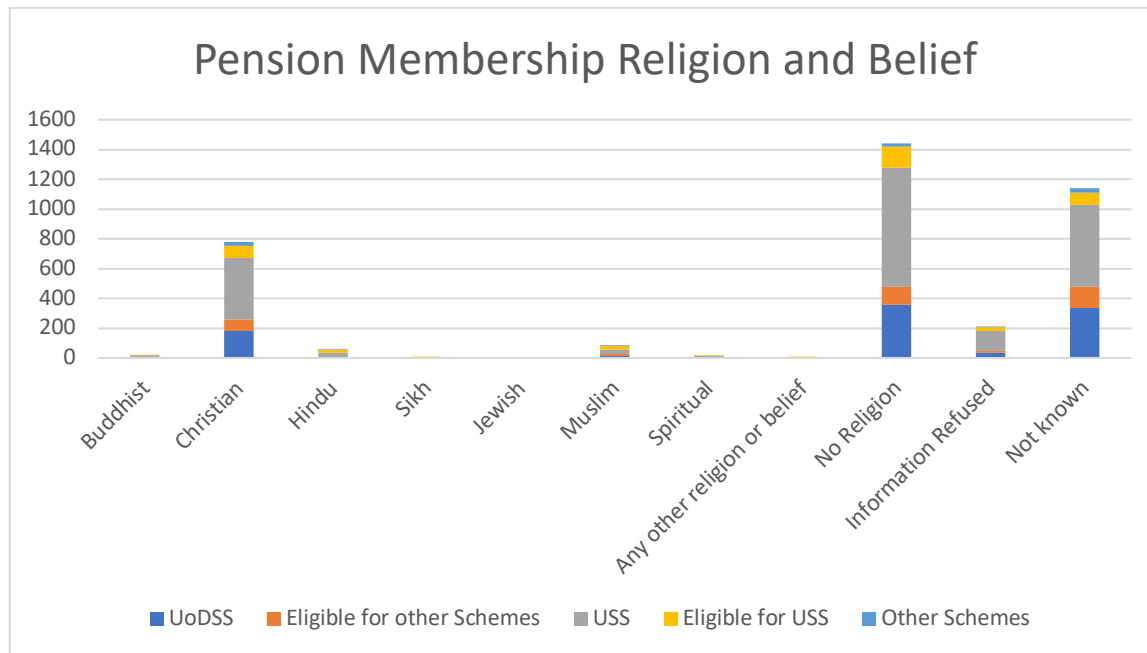


Figure 4 Pension Membership Religion and Belief

Sexual Orientation

	Bisexual	Gay man	Gay woman/ lesbian	Hetero sexual	Other	Information refused	Not Known	Total
UoDSS Members	17	11	5	510	8	42	341	934
Eligible for UoDSS	11	3	1	190	7	17	144	373
USS Members	26	30	21	1204	5	157	549	1992
Eligible for USS	16	9	5	228	9	40	83	390
Other Scheme Members	0	0	0	50	1	5	29	85
Total	70	53	32	2182	30	261	1146	3774

Table 7 Pension Membership Sexual Orientation

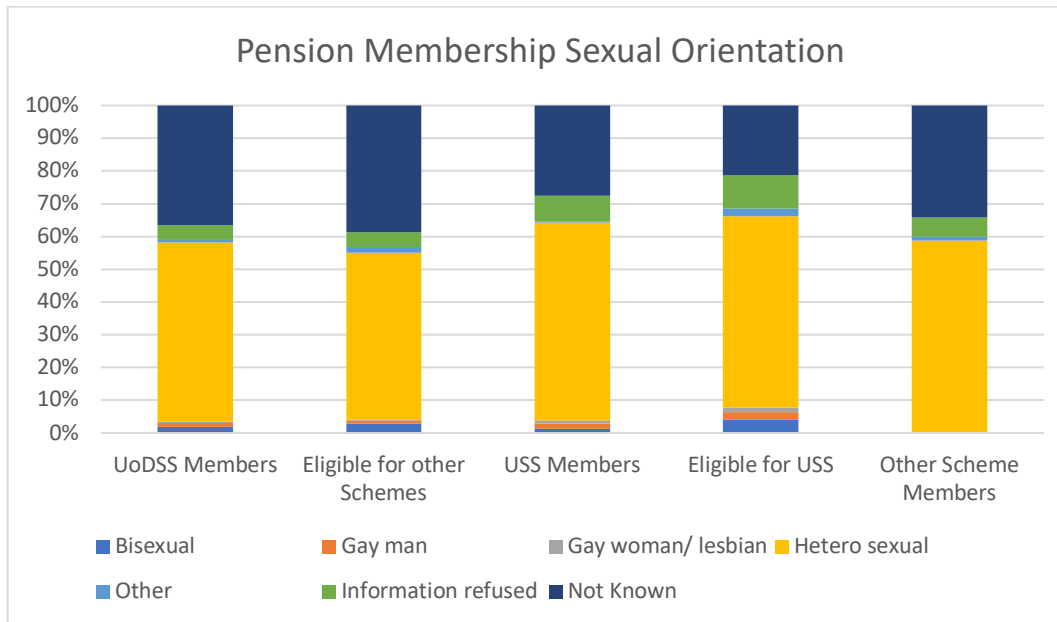


Figure 5 Pension Membership Sexual Orientation

Sex

	Female	Male	Total	Percentage Female	Percentage Male
UoDSS	648	286	934	69.4	30.6
Eligible for UoDSS	256	117	373	68.6	31.4
USS Members	1052	940	1992	52.8	47.2
Eligible for USS	204	186	390	52.3	47.7
Other Scheme Members	43	42	85	50.6	49.4
Total	2203	1571	3774	58.4	41.6

Table 8 Pension Membership Sex

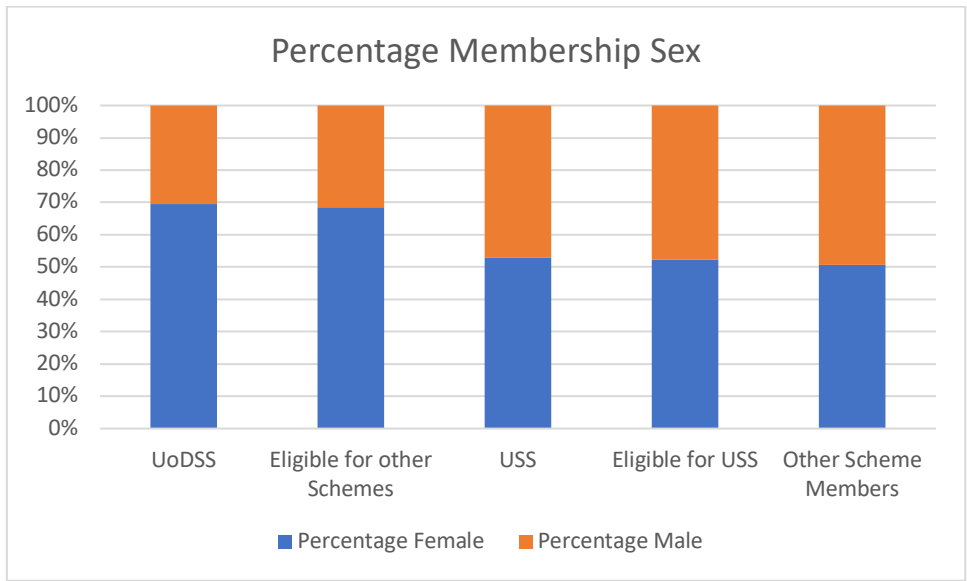


Figure 6 Pension Membership Sex (Percentage)

b) Gaps in data

Please note that there is insufficient disclosure provided by staff on personal profiles to provide complete and meaningful data on the following protected characteristics:

Gender Reassignment, Marriage and Civil Partnership, Pregnancy and Maternity, Religion and Belief and Sexual Orientation, though some data is available for the last two categories.

The above information excludes workers with **casual** arrangements as limited information is gathered for these individuals.

Impact Assessment of changes to the UoDSS

Name of person completing this form: Patricia Matheson
Job title: Director of HR and Organisational Development
Department: HR and Organisational Development

STEP 1 The proposed revisions to the UoDSS are as follows:

- | |
|--|
| (1) From 1 August 2022 reduce the accrual rate to 1/100th from 1/80th. Benefits accrued up to 31 July 2022 will be unaffected by this change. |
| (2) From 1 August 2022 increase the scheme retirement age from 65 to 68 with benefit reductions for earlier retirement. |
| (3) From 1 August 2022 increase the employee contribution rate by 1% from 7.75% to 8.75% |
| (4) Close UoDSS to new members from 1 August 2022. Offer a DC scheme to all new members from 1 August 2022 providing an offering at a lower entry cost for members (from 2%) and offer death in service benefits to G1 -6 members even if they choose not to join a pension scheme. From 1 August 2022 existing members will have the choice of transferring to the DC scheme. |

STEP 2 Analysis of the proposed reforms to the UoDSS

Having regard to the duty to promote equality and eliminate discrimination, do the proposed reforms to the UoDSS minimise unfairness? Do they have a disproportionate negative effect on people with one or more of the nine protected characteristics?

In completing the impact assessment using this form, if it is anticipated that the proposed reforms will have a negative impact on one or more of the protected groups, note the likely impact including whether there is direct or indirect discrimination and whether such discrimination can be justified, identify the range of options to address it in order to meet the general equality duties, identify the effect of each option, the preferred option and the reasons for preferring it.

(1) Proposed reform:

From 1 August 2022 the rate at which members will build up future benefits in UoDSS will change to a lower rate of 1/100th of salary in each year compared to the current 1/80th of salary in each year. [The additional lump sum retirement benefit will similarly accrue at a rate of 3/100^{ths} rather than 3/80^{ths}.]

Anticipated impact of proposed reform on existing UoDSS members			
	Positive	Negative	Neutral
Race			X
Disability			X
Sex		X	
Age		X	
Gender reassignment			X
Marriage and civil partnership			X
Pregnancy and maternity			X
Religion and belief			X
Sexual orientation			X

Assessment:

This aspect of the proposal will affect all categories of staff, but the pension benefits of staff who have not been in the UoDSS for long and who will build up the majority of their pension fund under the proposed future arrangements are likely to be impacted more severely than those who already have significant pensionable service in the UoDSS. It is reasonable to assume that this, like any other adverse change that is made to benefits accruing after a certain date, will naturally impact younger members of staff more than older members of staff. Younger members will spend a greater proportion of their working careers under the reduced terms, as compared to those who are older.

Otherwise, however the workforce profile (Table 2, Figure 2) shows that there is broadly neutral impact as the membership is spread across the different age groups with the highest numbers in the 30-39, 40-49, 50-59 age brackets. There is a slight peak, for staff in UoDSS, in the age bands from 50-59 and (once account is taken of the band being only 4 years long) from 60-64 as compared to those in other schemes. This is a comparatively subtle point, however, and of course USS in particular, as the main scheme for those in G7+, is itself subject to proposals for change in the accrual rate.

The proposal will likely have a greater effect on female staff, as the workforce profile indicates that there is a greater proportion of female staff in Grades 1 - 6 (69.4 %) compared to male staff (30.6%). Additionally, the proportion of female staff in UoDSS is greater than the proportion in other schemes. This proposed change to UoDSS will therefore affect greater numbers of female staff than it does male. This effect is, presumably, ultimately caused by societal factors that mean that a greater proportion of women than men is found in the G1-G6 population. It is, of course, nevertheless a relevant consideration.

Anticipated negative impact of proposed reform on existing non-UoDSS members

	Range of options	Preferred Option	Reason for preferred option
Race			
Disability			
Sex			
Age			
Gender reassignment			
Marriage and civil partnership			
Pregnancy and maternity			
Religion and belief			
Sexual orientation			

No anticipated negative impact of proposed reform on existing non-UoDSS members.

(2) Proposed reform:

From 1 August 2022 increase the scheme retirement age from 65 to 68 with benefit reductions for early retirement. Protections will be included for benefits that accrued before 1 August 2022, so that in effect this part of the proposal only affects accrual from 1 August 2022 onwards.

Anticipated impact of proposed reform on existing UoDSS members			
	Positive	Negative	Neutral
Race			X
Disability			X
Sex		X	
Age		X	
Gender reassignment			X
Marriage and civil partnership			X
Pregnancy and maternity			X
Religion and belief			X
Sexual orientation			X

Assessment:

This aspect of the proposed reform will apply to all staff in UoDSS. From 1 August 2022 onwards, it will only be possible for a person of any age to obtain a pension that is entirely unreduced by working to age 68. However, in order to satisfy legal requirements for the protection of past service benefits, the full impact of the change will only apply to benefits accruing from 1 August 2022 onwards.

Therefore, like any other adverse change to benefits accruing after a certain date, this will naturally impact younger members of staff in UoDSS more than older members of staff in UoDSS. They will spend a greater proportion of their working lives accruing pensions on the reduced terms, as compared to those who are older.

As noted above, there is a slight peak in membership numbers for staff in UoDSS, in the age bands from 50-59 and (once account is taken of the band being only 4 years long) from 60-64 as compared to those in G7+ who are predominantly eligible for other schemes that are not affected by this proposal. This is a comparatively subtle point, however.

The proposal will also have a greater effect on female staff with a greater proportion of female staff in Grades 1 - 6 in UoDSS (69.4 %) compared to male staff (30.6%). Additionally, the proportion of female staff in UoDSS is greater than the proportion in other schemes. This proposed change to UoDSS will therefore affect greater numbers of female staff than it does male. This effect is, presumably, ultimately caused by societal factors that mean that a greater proportion of women than men is found in the G1-G6 population. It is nevertheless a relevant consideration.

Anticipated negative impact of proposed reform on existing non-UoDSS members			
	Range of options	Preferred Option	Reason for preferred option
Race			
Disability			
Sex			
Age			
Gender reassignment			
Marriage and civil partnership			
Pregnancy and maternity			
Religion and belief			
Sexual orientation			

No anticipated negative impact of proposed reform on existing non-UoDSS members.

(3) Proposed reform:

From 1 August 2022 increase the employee contribution rate by 1% from 7.75% to 8.75%

Anticipated impact of proposed reform on existing UoDSS members			
	Positive	Negative	Neutral
Race			X
Disability			X
Sex		X	
Age		X	
Gender reassignment			X
Marriage and civil partnership			X
Pregnancy and maternity			X
Religion and belief			X
Sexual orientation			X

Assessment:

From 1 August 2022 onwards, all UoDSS members will under this part of the proposal have to contribute an extra 1% of salary. Like any other adverse change occurring in relation only to benefits accruing after a certain date, this will naturally impact younger members of staff in UoDSS more than older members of staff in UoDSS. They will spend a greater proportion of their working lives contributing at the higher rate, as compared to those members who are older.

As noted above, there is a slight peak in membership numbers for staff in UoDSS, in the age bands from 50-59 and (once account is taken of the band being only 4 years long) from 60-64 as compared to those in G7+ who are predominantly eligible for other schemes that are not affected by this proposal. This is a comparatively subtle point, however.

The proposal will also have a greater effect on female staff with a greater proportion of female staff in Grades 1 - 6 in UoDSS (69.4 %) compared to male staff (30.6%). Additionally, the proportion of female staff in UoDSS is greater than the proportion in other schemes. This proposed change to UoDSS will therefore affect greater numbers of female staff than it does male. This effect is, presumably, ultimately caused by societal factors that mean that a greater proportion of women than men is found in the G1-G6 population. It is nevertheless a relevant consideration.

Anticipated negative impact of proposed reform on existing non-UoDSS members			
	Range of options	Preferred Option	Reason for preferred option
Race			
Disability			
Sex			
Age			

Gender reassignment			
Marriage and civil partnership			
Pregnancy and maternity			
Religion and belief			
Sexual orientation			

No anticipated negative impact of proposed reform on existing non-UoDSS members.

(4) Proposed reform:

Close UoDSS to new members from 1 August 2022. Offer a DC scheme to all new employees and pension joiners from 1 August 2022 providing an offering at a lower entry cost (from 2%) and offering death in service benefits to G1 -6 members even if they choose not to join a pension scheme. From 1 August 2022 existing UoDSS members will have the choice of transferring to the DC scheme.

Anticipated impact of proposed reform on existing UoDSS members			
	Positive	Negative	Neutral
Race			X
Disability			X
Sex			X
Age			X
Gender reassignment			X
Marriage and civil partnership			X
Pregnancy and maternity			X
Religion and belief			X
Sexual orientation			X
Assessment: The proposal will not impact existing members of UoDSS.			
Anticipated negative impact of proposed reform on existing non-UoDSS members			
	Range of options	Preferred Option	Reason for preferred option
Race			
Disability			
Sex			
Age			
Gender reassignment			
Marriage and civil partnership			
Pregnancy and maternity			
Religion and belief			
Sexual orientation			

Anticipated impact of proposed reform on existing non-UoDSS members			
	Positive	Negative	Neutral
Race			X
Disability			X
Sex		X	
Age		X	
Gender reassignment			X
Marriage and civil partnership			X
Pregnancy and maternity			X
Religion and belief			X
Sexual orientation			X

Assessment:

The impact of closing UoDSS to new members from 1 August 2022 will, like any other adverse change to benefits accruing after a certain date, naturally impact younger members of staff in University employment more than older members of staff.

This aspect of the proposal also seems likely to have a greater effect on female employees, based on the existing demographic that there is a greater proportion of female staff in Grades 1 - 6 compared to male staff (within the population not currently in UoDSS, 68.6% are female, and 31.4% are male). Additionally, the proportion of female staff in UoDSS is greater than the proportion in other schemes. This proposed change to UoDSS will therefore affect greater numbers of female staff than it does male. As noted above, this effect is, presumably, ultimately caused by societal factors that mean that a greater proportion of women than men is found in the G1-G6 population. It is nevertheless a relevant consideration.

Anticipated negative impact of proposed reform on existing non-UoDSS members			
	Range of options	Preferred Option	Reason for preferred option
Race			
Disability			
Sex			
Age			
Gender reassignment			
Marriage and civil partnership			
Pregnancy and maternity			
Religion and belief			
Sexual orientation			

There will be no negative impact on proposed reform on existing non-UoDSS members. Offering at a lower entry cost for members (from 2%) and death in service benefits to G1 -6 members (irrespective of whether they join the pension scheme), will benefit staff who have previously not felt able to join a pension scheme due to affordability factors.

STEP 3

Could the impacts identified in Step 2 above be minimised or removed or equality be promoted in some other way?

The proposed reforms to UoDSS were considered and any likely negative impact on one or more of the protected groups noted:

Reform (1) – Age and Sex

Reform (2) – Age and Sex

Reform (3) – Age and Sex

Reform (4) – Age and Sex

Disparity between Ages

It was identified that the reforms proposed would, in particular, have greater impact on pension benefits of staff who have not been in the UoDSS for long or who are never able to join it all, and who will build up the majority of their pension fund under the proposed revised arrangements within UoDSS or in the DC Scheme, and this group of staff is likely overall to be in the younger age categories.

This is true of almost any adverse change to any pension scheme that (as required by law) protects the accrued rights of existing members. Therefore, exemptions under the Equality Act 2010 specifically protect changes of the type that are proposed from challenge on the grounds of age discrimination. Nevertheless, the underlying inequalities were recognised and considered.

It is also noted that in the younger age categories many staff who are eligible to join the scheme have not done so. This appears likely to represent a significant part of the explanation for the greater numbers of older employees (aged 50-64) in UoDSS than younger. In the under 20 group 100% of those eligible have not joined and in the 20-29 group, 45.8% of those eligible have not joined. Issues of affordability, mentioned below, may be a factor for these younger age categories.

Disparity in the Sexes

UoDSS primarily covers employees in Grades 1 – 6 and the data clearly shows that a majority of employees in those grades are female; more so, than in Grades G7+. While the proposed changes would in themselves affect male and female employees similarly, it has to be recognised immediately that they would affect more female staff than males.

This effect is, presumably, ultimately caused by societal factors that mean that a greater proportion of women than men is found in the G1-G6 population and therefore in UoDSS. This is clearly a relevant consideration, but having considered it carefully the University is not of the view either that that this can appropriately be addressed through its proposals for UoDSS or (bearing in mind the points explored further below) that it should prevent any otherwise neutral change being made to UoDSS.

Conclusions

The University recognises that our employees value retention of a defined benefit scheme and on that basis following feedback in respect of our initial proposal (for closure to accrual) we support the principle of retaining UoDSS with a reduction in benefits and slight increase to contribution rates and retirement age balanced with introducing a new defined contribution offering for new members.

The indirect age and sex differences identified above are largely the product of keeping the scheme open to accrual on a revised and more sustainable basis, and are unavoidable if that is to be done.

Seeking directly to compensate those differences that have been identified would entail treating staff differently on the basis of age or sex in other ways, and would almost certainly constitute direct discrimination in itself, whose impact on specific individuals and categories could easily exceed any beneficial outcome of offsetting the broader impacts identified above.

While it will certainly maintain an open mind should any be suggested, the University has not, therefore, been able to identify any immediate mitigations for the two indirect impacts noted above.

Ultimately, the alternative of closing UoDSS to further accrual would have impacted existing employees and UoDSS members more, particularly when compared to employees in Grades G7+, but would have achieved immediate parity across all employees in Grades G1-G6.

The University has nevertheless considered how the impacts could be minimised, removed or equality promoted in some other way and in relation to this believe that it is important any reforms to the scheme include insuring that lower cost options can be offered for staff who are unable to participate at 8.85%. The introduction of a defined contribution scheme with lower and flexible employee contribution costs and includes death in service cover even if you are not a member of the pension scheme provides an alternative option for both new and existing staff.

Given the cost and risk constraints and recognising the value our staff place on defined benefit, we consider that this would be a reasonable outcome from an employer perspective.

Given the financial position of UoDSS, it is recognised that reforms are required. The changes proposed are considered to be a reasonable and justifiable means of addressing the need for reform.

Of the various options considered and discussed, when combined with the other measures now proposed, the outcome is one of the least damaging ones for existing employees and UoDSS members.

In summary, if UoDSS is to remain open for its existing members, then without the proposed reforms, contribution rises for employees would risk pricing more and more members out of pensions savings under it before a point could ever be reached at which the UoDSS might still be sustainable for the University.

STEP 4

How will the reforms to the UoDSS be monitored in the future and by whom?

The University will conduct regular reviews of the membership demographics and the EIA will be repeated to monitor the impact of the reforms to UoDSS. The review will be conducted by Pensions and HR with support from colleagues in EDI and Strategic Intelligence.

The University will continue to ensure current and future proposals for reforms take into account the equality impact in the decision-making.

Scheme demographics are regularly monitored as part of the institution's existing equality and diversity monitoring arrangements. Equality and Diversity statistics are published on the University website and information is provided on a regular basis to the University Court.

February 2022