

# Research Bulletin

Issue 5, August 2015

**W**elcome to the August edition of Elevation Networks Research Bulletin.

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## UNEMPLOYMENT

Unemployment has risen for the first time since April 2013. In July, there were 30.98 million people in work, down by 67,000 on the previous quarter. The number of people classed as unemployed increased by 15,000 to 1.85 million; an unemployment rate of 5.6 %, whilst the number of people claiming Job Seekers Allowance (JSA) increased by 7,000 to 804,200.

- Full ONS Release: <http://ow.ly/PDwjr>
- BBC News Coverage: <http://ow.ly/PDEdY>

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## GOVERNMENT ANNOUNCEMENTS

### Government plans to force larger firms to publish data on their gender pay gap

The government is to introduce plans that will eventually force firms to publish data on their gender pay gap. The measures, which were proposed under the coalition government, aim to increase transparency and draw attention to inequalities.

At the end of 2014 the gender pay gap fell to from to 9.4%, down from 10% in 2013. According to the ONS, the gender pay gap has been on a continual downward trend since records began in 1997, when the pay gap was 17.4%.

The new measures aim to eradicate the pay gap “within a generation”; however the government is yet to set any detailed targets.

- Government announcement in full: <http://ow.ly/PGfua>
- ONS latest on gender pay gap: <http://ow.ly/PGfBI>
- BBC News Article: <http://ow.ly/PGem4>

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## EDUCATION NEWS

### Universities to take on more pupils from disadvantaged backgrounds

Universities are to increase measures that will provide access to more students from poorer backgrounds according to a new report by the Office for Fair Access (Offa). Collectively, UK institutions announced spending of £750.8 million on outreach services, bursaries and scholarships for poorer students in 2016/17. The Russell Group of 20 universities, which includes some of the UK’s top-performing institutions, announced £243 million to improve access funded through higher tuitions fees.

The full funding amount consists of:

- £149.3m on access and outreach
- £148m on work to support students through their studies
- £54.6m on progression activities
- £399m on financial support.

According to the report, nearly three-quarters of UK institutions have set targets to support students from poorer backgrounds to remain on the courses, one third have adopted targets for disabled students, whilst two-fifths have set targets relating to minority ethnic groups.

- Offa Press Release: <http://ow.ly/PG73I>
- Full list of university access agreements: <http://ow.ly/PG5R5>
- BBC News article: <http://ow.ly/PG5zP>

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### Cuts to student grants ‘likely to increase debts’ for poorer students

The Institute for Fiscal Studies has suggested that the planned replacement of student maintenance grants with loans could increase poorer students’ debts by around 30%.

The independent think tank estimates that under the current maintenance grants poorer students graduate with around £40,500 of debt; this is likely to increase to around £53,000 following the government's reforms.

➔ IFS Press Release: <http://ow.ly/PVOuG>

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## DIVERSITY NEWS

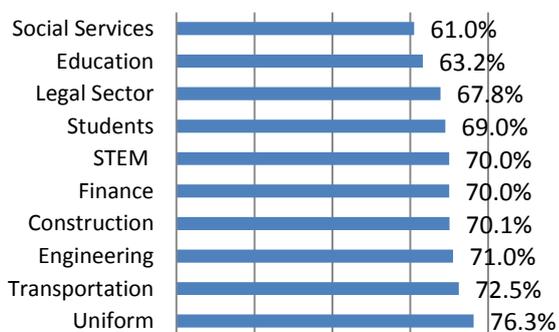
### 'Ethnic minorities underrepresented at every level of employment'

Ethnic minorities are under-represented at every level of work, according to research by Business in the Community (BITC). 13% of the UK population is from an ethnic minority background, but only 1 in 16 top management positions are held by people from ethnic minority groups.

From analysing the global results of the Implicit Association Test (IAT) for race bias (Race IAT) BITC identified that employees from nearly all UK industrial sectors exhibit unconscious racial bias towards ethnic minorities.

The results showed that over three-quarters of uniformed employees including the police, fire service, and armed forces, showed unconscious bias towards ethnic minorities.

**% of employees within these sectors that have unconscious racial bias**



Commenting on the findings Race Equality Director Sandra Kerr said:

*“Evidence gathered shows underlying cultures and processes may contribute to ethnic minorities not being treated equally in work”*

In light of these findings BITC called upon 10,000 ethnic minority and white employees to participate in a UK-wide workplace survey of race at work survey.

➔ BITC press release: <http://ow.ly/Q7Ouv>

➔ BITC/YouGov 2015 Race at Work Survey: <http://ow.ly/Q7OOF>

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## EQUALITY

### EY (Ernst & Young) to remove UCAS points and degree classification from graduate entry criteria

In a move to increase diversity EY, one of the 'big four' audit firms, has removed UCAS points and degree classification criteria for its 2016 graduate, undergraduate and school leavers' development programmes.

Under the changes candidates will now be selected for interview on the basis of their performance in enhanced online 'strengths' assessments and numerical tests. Previously candidates had to attain a minimum of 300 UCAS points and a 2:1 degree classification in order to apply.

Commenting on the changes EY's Managing Partner for Talent, Maggie Stilwell, said:

*“Transforming our recruitment policy is intended to create a more even and fair playing field for all candidates, giving every applicant the opportunity to prove their abilities.”*

In May 2015 auditing firm PwC announced that it was removing A-Levels from its graduate entry criteria (see Issue 2).

➔ EY Press Release: <http://ow.ly/QgHMs>

## **Privately educated pupils earning more after graduation**

A new report by the Sutton Trust and UpReach suggests that graduates who attended private schools earn up to £4,500 more than their state school counterparts.

The report, which examined the average earnings in careers such as law and finance showed that the average salaries from privately educated law and finance graduates increased more quickly than those from state schools, with a difference of £1,331 6 months after graduation; this difference increased to £4,450 after 3 years.

The report says half of this difference can be explained by factors such as academic attainment and the type of university attended. However, the report suggests that 'soft' skills such as assertiveness may be equally as important.

The report recommends that:

- Graduates from disadvantaged backgrounds applying for high-status jobs should be identified early on in the application process
- Graduates should be given mentoring support and coaching guidance during the application process and during employment to help improve non-academic skills.

➔ Read the report in full: <http://ow.ly/QyNMz>