

Gender Pay Gap 2020-21

As an employer of 250+ employees, we are required to comply with Gender Pay Gap legislation and provide a yearly report. Aside from the legal requirement, **fairness, inclusion and equal opportunity** are at the heart of our values, so gathering and transparently reporting on gender pay gap information allows us to see where we are currently, and how to make positive changes in the future.

Mandatory Data

Based on the assigned snapshot date of **31st March 2021**, the following data is reported on:

- Our mean gender pay gap (full-pay relevant employees)
- Our median gender pay gap (full-pay relevant employees)
- Our proportion of males and females in each quartile pay band (full-pay relevant employees)

Based on the 12-month period **1st April 2020 to 31st March 2021**, the following data is reported on:

- Our mean “bonus” gender pay gap (relevant employees)
- Our median “bonus” gender pay gap (relevant employees)
- The proportion of male employees receiving a “bonus” payment (relevant employees)
- The proportion of female employees receiving a “bonus” payment (relevant employees)

Who?

We have analysed full-pay relevant employees and relevant employees from the RNN Group, Rotherham Education Services (RES) and National Fluid Power Centre.

Full-pay relevant employee: An employee at the snapshot date (31st March 2021) who is receiving normal pay.

Relevant employee: A employee at the snapshot date (31st March 2021) who did not receive normal pay due to a specific reason (reduced/zero pay due to Maternity Leave, Half Pay/No Pay Sickness or Unpaid absence etc). In addition to previous years, some employees were furloughed under the government’s Job Retention Scheme and were receiving a reduced salary.

Our Gender Pay Gap Data

On the snapshot date our workforce gender demographic consisted of 282 men and 560 women. No employees identified as non-binary.

	2017/18	2018/19	2019/20	2020/21
Mean Gender Pay Gap	16.6%	14.9%	13.8%	13.2%
Median Gender Pay Gap	25.2%	27.1%	27.1%	26.5%

The data shows our gender pay gap, based on mean (average) hourly salary, is **13.2% lower** for women, and the median hourly salary is **26.5% lower** for women across the organisation.

This is a 0.6% decrease in both our mean and median gender pay gap figure compared to 2019-20.

“Bonus” Payments in the period 1st April 2020 – 31st March 2021

Due to changes in methodology and increased guidance on completing our Gender Pay Gap figuresⁱ, we are able to report more robustly on what payments have been made that constitute bonuses. As a result of these changes, we can now be more confident in making comparisons between each year. However, bonus payments will always fluctuate depending on business need at the time, so context is required.

The payments reported on in this data which class as a “bonus” include:

- Market Force Supplements and Honorariums
- Increases related to achieving qualifications
- Health & Safety related payments (e.g. First Aider callouts)
- Length of Service Awards (in the form of vouchers)

	2018/19	2019/20	2020/21
Mean Bonus Pay Gap	51.8%	62.1%	61.1%
Median Bonus Pay Gap	44.4%	45.8%	69.0%
Number of male employees who received a “bonus”	82	85	51
Proportion of all male employees who received a “bonus”	21.7%	25.7%	18.1%
Number of female employees who received a “bonus”	89	65	30
Proportion of all female employees who received a “bonus”	10.1%	8.8%	5.4%

The data shows that there is a mean (average) Bonus Pay gap of 61.1% and a median gap of 69% in favour of male employees across the organisation. Although this seems to be a sharp increase, it is important to acknowledge that the number of employees receiving bonuses has dropped by 46%, giving a much smaller pool of data.

One key reason for this drop in numbers relates to ongoing harmonisation of salaries. A group of employees performing a specific role went from receiving a salary + honorarium in 2019-20 to receiving a single, **higher**, harmonised salary in 2020-21.

This table highlights how the remaining bonus payments were split in 2020-21:

Employees	Market Force Supplements	Honorariums	Qualification related	Health & Safety	Length of Service
Females	15.8%	0.0%	0.0%	41.2%	68.4%
Males	84.2%	100.0%	100.0%	58.8%	31.6%

Market Force Supplements (MFS) continue to be the biggest bonus category to favour male employees. These additions are made to salaries for “hard-to-fill” roles in areas such as Engineering and Construction which are predominantly male industries. The decision to award a MFS is often made before the position is advertised, which means that the bonus itself is in no way dependant on the gender of the successful candidate. All candidates undertake the same rigorous recruitment and selection process, including anonymised shortlisting, to find the best candidates for the role (regardless of gender). For existing employees requesting a MFS, the decision to award is based on their individual skills and experience, and how valuable that is to the organisation.

The use of **Honorariums** has reduced significantly. In 2019-20, there were 47 employees (24 women/23 men) receiving honorarium payments. That figure reduced to 3 employees in 2020-21 (3 men), and these honorariums exist as pre-merger contracted terms protected by TUPE legislation. The same is true of the 2 men receiving **Qualification related** payments in 2020-21.

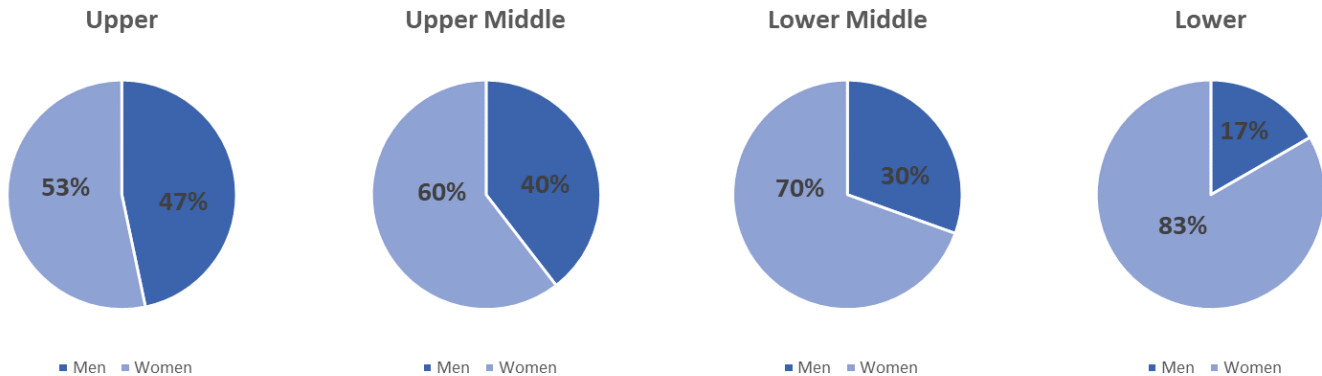
Health and Safety related payments have remained very similar to 2019-20. These payments always relate to specific job roles, regardless of the gender of the employee, or are made for additional roles such as First Aid Responders of which employees are welcome to apply for.

Length of Service Awards have favoured women in 2020-21, however the process of awarding these vouchers is based solely of the employees start date, regardless of gender.

We see that 18.1% of all male employees received some form of bonus during this reporting period, compared to 5.4% of all females, however it is important to highlight that women make up 66% of the overall workforce. In addition, the organisation has a higher quantity of female employees who would not be in receipt of bonuses due to their role within the organisation (e.g. Administrative and support staff).

Quartile breakdown in the period 1st April 2020 – 31st March 2021

Across the four quartiles our workforce is predominantly female, and females occupy a greater number of positions at the lower quartiles. The data shows the gender profile in each quartile as:



Even with the raising of National Minimum/Living Wage each year, women will continue to occupy the majority of lower and lower middle quartiles. The quartiles have been split by the following hourly rates:

	Upper	Upper Middle	Lower Middle	Lower
Hourly Rate range	£15.25+	£12.42 – £15.25	£9.62 – £12.42	£4.15 - £9.62

We see how each gender group is distributed across the quartiles below:

	Upper	Upper Middle	Lower Middle	Lower
Female (560)	20% (113)	23% (127)	26% (146)	31% (174)
Male (282)	35% (99)	30% (83)	23% (64)	12% (36)

This again highlights the pattern that female numbers increase as the quartile lowers, whereas male numbers decrease.

Compared to our previous Gender Pay Gap report, there have been the following changes in quartile proportions:

	Upper	Upper Middle	Lower Middle	Lower
Female	↓ -4.1%	↓ -8.2%	↓ -11.3%	↑ 9.1%
Male	↑ 5.2%	↑ 16.0%	↑ 40.8%	↓ -29.4%

We have seen an increase in the number of men in the upper-to-lower middle quartiles and a significant reduction in those in the lower quartile. The number of women in upper-to-lower middle quartiles has fallen while the lowest quartile has increased.

Gender Pay Gap Context

The National Gender Pay Gap results are still being analysed, but provisional figures are available from the Office of National Statisticsⁱⁱ. The RNN Groups report will be updated and published once the official figures are released.

- As of April 2021, the national Gender Pay Gap (GPG) was **15.4% (median)** and **14.9% (mean)**.
- The national GPG in the Education sector was **25.4% (median)** and **17.6% (mean)**.
- The GPG for Education in Yorkshire and the Humber region was **27.3% (median)** and **17.4% (mean)**. In the East Midlands region it was **27.3% (median)** and **18.1% (mean)**. This means the RNN Group is below the regional education figures.

It also appears that Local Authority differences may contribute to higher gender pay gap results. ONS data shows that some of the Local Authorities in our region have significantly higher GPG than the national figure:

	Median Gender Pay Gap (All Industries)	Mean Gender Pay Gap (All Industries)
Yorkshire & The Humber	16.6%	14.9%
South Yorkshire County	18.3%	16.9%
Barnsley	12.7%	13.6%
Doncaster	23.2%	22.0%
Rotherham	19.5%	22.0%
Sheffield	18.2%	12.6%
East Midlands	17.0%	14.1%
Nottinghamshire	15.3%	13.0%
Bassetlaw	3.4%	2.2%
Mansfield	5.5%	0.1%
Newark and Sherwood	23.4%	7.3%

The RNN Group is likely to sustain a higher Gender Pay Gap figure due to the high proportion of female employees and how they are distributed across the organisation. We must acknowledge that in the Education sector, it is common for administrative and student-facing support roles to be predominantly held by females, as are some national living wage roles such as cleaners.

The RNN Group continues to employ lower paid workers for roles such as Cleaners and Learning Support Assistants directly rather than outsourcing these to other companies. Also, we must highlight that we employed 13 apprentices during the snapshot date of 31 March 2021, of which 11 were female. These factors all influence the median hourly rate calculation used to establish our Gender Pay Gap.

One additional challenge we face in reducing our Gender Pay Gap which must be acknowledged is our commitment to TUPE legislation. As a college group founded by the merger of three colleges and various other subsidiaries, we have a large variety of salaries and pay arrangements which are not all aligned. As a result, we may have employees in similar roles receiving different pay which is protected by TUPE legislation. Should these lower paid employees be female, it will affect our GPG figure.

Next Steps

While we recognise the importance of reducing the national gender pay gap, we are committed to offering employment that responds to the demands of our local labour market. By offering a range of roles at all salary levels, we are confident that we are a fair and inclusive employer and our Gender Pay Gap figure reflects this when compared to the rest of the Education Sector.

We will continue to review our bonus pay processes to minimise opportunities for unconscious gender bias.

We will endeavour to continue harmonisations wherever possible while respecting our commitment to TUPE legislation. To date, our efforts to harmonise salaries for employees on different contracts has increased our transparency and consistency.

We will continue to improve pay for lower earners in line with government direction, however this in itself will not reduce our GPG as the difference between salary points must still exist to recognise levels or responsibility.

We are committed to creating and implementing initiatives which could reduce our gender pay gap in future.

Signed on behalf of the RNN Group by:

Jane Hartog
Executive Director of HR OD and Marketing

ⁱ The guidance provided by CIPD has been used to help create this report. That guidance was published on 8 March 2021 and can be found at <https://www.cipd.co.uk/knowledge/fundamentals/relations/gender-pay-gap-reporting/guide>

ⁱⁱ Office for National Statistics Dataset: Gender Pay Gap PROVISIONAL RESULTS released 2 November 2021
<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/annualsurveyofhoursandearningsashegenderpaygaptables>