

Gender Pay Gap 2021-22

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 2022**, 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 2021 to 31st March 2022**, 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 2022) who is receiving normal pay.

Relevant employee: A employee at the snapshot date (31st March 2022) who did not receive normal pay due to a specific reason (reduced/zero pay inc. those on Maternity/Paternity/Adoption Leave, long term Sickness and furloughed workers etc).

Our Gender Pay Gap Data

On the snapshot date our workforce gender demographic consisted of **283 men** and **565 women**. No employees identified as non-binary.

	2017/18	2018/19	2019/20	2020/21	2021/22
Mean Gender Pay Gap	16.6%	14.9%	13.8%	13.2%	16.1%
Median Gender Pay Gap	25.2%	27.1%	27.1%	26.5%	22.7%

The data shows our gender pay gap, based on mean (average) hourly salary, is **16.1% lower** for women, and the median hourly salary is **22.7% lower** for women across the organisation. This is a 2.9% increase in our mean gender pay gap but a 3.8% decrease in our median gender pay gap compared to 2020-21.

At the time of this report being written, the Office of National Statistics reports the *provisional* national Gender Pay Gap for 2021-22 to be **13.9% (mean)** and **14.9% (median)**.

“Bonus” Payments in the period 1st April 2021 – 31st March 2022

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 covered 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)
- Other Operational payments

	2018/19	2019/20	2020/21	2021/22
Mean Bonus Pay Gap	51.8%	62.1%	61.1%	65.7%
Median Bonus Pay Gap	44.4%	45.8%	69.0%	69.0%
Number of male employees who received a “bonus”	82	85	51	59
Proportion of all male employees who received a “bonus”	21.7%	25.7%	18.1%	21.2%
Number of female employees who received a “bonus”	89	65	30	40
Proportion of all female employees who received a “bonus”	10.1%	8.8%	5.4%	7.1%

The data shows that the mean (average) Bonus Pay gap has increased by 4.6% and a median gap has remained the same, both in favour of male employees across the organisation. In terms of the proportion of the workforce receiving bonuses, the disparity between male and female is partly due to our predominantly female workforce (2x females to even 1x male).

This table highlights how the bonus payments were split in 2021-22 as a percentage and the total number of males/females receiving each category of bonus:

	Health & Safety	Market Force Supplements	Long Service Award	Honorariums	Qualifications	Operational	Total
Female	48% (33)	7% (2)	73% (8)	50% (6)	-	100% (2)	41%
Male	52% (36)	93% (26)	27% (3)	50% (6)	100% (2)	-	59%

Health and Safety related payments became our biggest category for the quantity of bonus payments in 2021-22. This category is evenly distributed between sexes, with only a 4% pay gap. These payments are linked to requirements of specific job roles in areas like Estates and Security, regardless of the sex of the employee. We have continued to offer “add-on” roles as First Aid Responders, of which all employees are welcome to apply for.

Market Force Supplements (MFS) continue to be the biggest bonus category in terms of financial cost in 2021-22. This category continues 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.

Length of Service Awards continue to favour women in 2021-22, however the process of awarding these vouchers is based solely of the employee's start date.

The use of **Honorariums** has been limited in 2021-22. Apart from some pre-merger contracted terms protected by TUPE legislation (x3 employees), the additional Honorariums were paid to selected management positions. They are equally split between males and females and like Market Force Supplements, were determined before candidates were selected.

The **Qualification** category relates to pre-merger contracted terms protected by TUPE legislation (x2 employees).

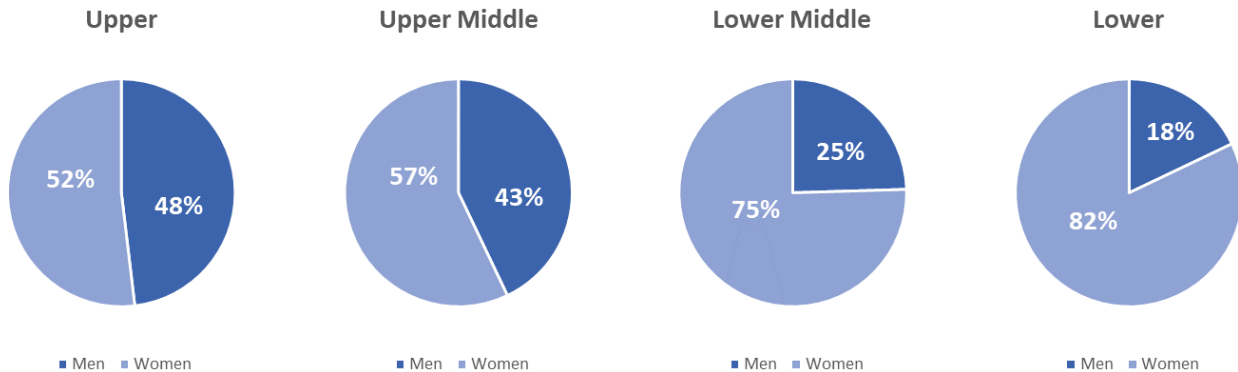
Operational payments in 2021-22 were offered to 2 employees and related to equipment usage.

We see that 21.2% of the male workforce received some form of bonus during this reporting period, compared to 7.1% of the female workforce, however it is important to highlight that women make up 67% of the overall workforce. When we consider the bonus categories reported above, only two out of six (Health & Safety and Long Service Awards) are available to all employees regardless of their role or contracted terms. The other bonus types link to specific roles within the organisation or historic contractual terms, meaning that the availability or eligibility to these bonuses is limited. During 2021-22, it was predominantly males that occupied these specific roles compared to females.

There are no statistical limitations on females receiving higher bonus percentages in future years if they occupy more of the roles which pay bonuses than they did in 2021-22.

Quartile breakdown in the period 1st April 2021 – 31st March 2022

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 and its effect on our salary ranges, women will continue to occupy the majority of lower and lower middle quartiles. The quartiles have been split by the following hourly rates in 2021-22:

	Upper	Upper Middle	Lower Middle	Lower
Hourly Rate range	£17.12+	£12.55 – £16.83	£10.01 – £12.55	£4.30 - £10.01

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

	Upper	Upper Middle	Lower Middle	Lower
Female (565)	19.5% (110)	21.4% (121)	28.3% (160)	30.8% (174)
Male (283)	36% (102)	32.2% (91)	18.4% (52)	13.4% (38)

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	↓ -2.7%	↓ -5.6%	↑ 8.6%	↓ -1.5%
Male	↑ 3%	↑ 8.6%	↓ -19.5%	↑ 7.5%

We can see that a drop in females in the Upper and Upper Middle quartile and increase in Lower Middle may be contributing to the pay gap, despite the decrease in the Lower quartile.

Gender Pay Gap Context

The National Gender Pay Gap results for 2021-22 are still being collected and analysed at the time this report was written, but provisional figures are available from the Office of National Statisticsⁱⁱ dated 11 November 2022. These figures show the national Gender Pay Gap (GPG) as **14.9% (median)** and **13.9% (mean)**.

Although RNN Group pay gap is higher than the national mean GPG, we are actually beneath the mean GPG for the Tertiary Education Sector as seen here:

	Median Gender Pay Gap (All Regions)	Mean Gender Pay Gap (All Regions)	RNN Group Mean GPG	Difference
Education Sector	22.2%	16.1%	16.1%	-
Tertiary education	14%	16.9%	16.1%	0.8% lower

Also we are significantly below the mean GPG for the Education Sector in Yorkshire and Humber and at the same level in the East Midlands:

	Median Gender Pay Gap (Education Sector)	Mean Gender Pay Gap (Education Sector)	RNN Group Mean GPG	Difference
Yorkshire & Humber	25%	20.4%	16.1%	4.3% lower
East Midlands	25.6%	16%	16.1%	0.1% higher

It appears that different geographical areas may contribute to higher gender pay gap results. ONS data shows that some of the regions the RNN Group operates in have significantly higher GPG than the national figure, including Rotherham where a majority of the our campuses are based:

	Median Gender Pay Gap (All Industries)	Mean Gender Pay Gap (All Industries)	RNN Group Mean GPG	Difference
Yorkshire & The Humber	16.5%	15%	16.1%	1.1% higher
South Yorkshire County	14.9%	15.3%	16.1%	0.8% higher
Barnsley	7.8%	12.7%	16.1%	3.4% higher
Doncaster	21.3%	18.3%	16.1%	2.2% lower
Rotherham	19.6%	21.7%	16.1%	5.6% lower
Sheffield	11.9%	11.7%	16.1%	4.4% higher
East Midlands	16.6%	13.8%	16.1%	2.3% higher
Nottinghamshire	16.6%	9%	16.1%	7.1% higher
Bassetlaw	10.3%	9.4%	16.1%	6.7% higher
Mansfield	9.6%	5.5%	16.1%	10.6% higher
Newark and Sherwood	19.4%	2.2%	16.1%	13.9% higher

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

eight apprentices during the snapshot date of 31 March 2022, of which five 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/reasons/gender-pay-gap-reporting/guide>

ⁱⁱ Office for National Statistics Dataset: Gender Pay Gap PROVISIONAL RESULTS released 11 November 2022
<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/annualsurveyofhoursandearningsashegenderpaygaptables>