Gender Pay Gap 2018-19

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.

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Mandatory Data

Based on the assigned snapshot date of **31st March 2019,** 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 2018 to 31st March 2019**, the following data is reported on:
- Our mean bonus gender pay gap (relevant employees)
- Our median bonus gender pay gap (relevant employees)
- Our proportion of males receiving a bonus payment (relevant employees)
- Our proportion of females receiving a bonus payment (relevant employees)

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Who

We are reporting on full-pay relevant employees and relevant employees from Rotherham College, North Notts College and Dearne Valley College, as well as Rotherham Education Services and subsidiaries Create Skills, Charnwood and National Fluid Power Centre.

Full-pay relevant employee: An employee at the snapshot date (31 March 2019) who is receiving normal pay (i.e. not receiving reduced/nil rate due to Maternity Leave, Half Pay/No Pay Sickness or Unpaid absence).
Relevant employee: A employee at the snapshot date (31 March 2019) not in receipt of normal pay

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Our Gender Pay Gap Data

On the snapshot date our workforce gender demographic consisted of 378 men and 885 women. No employees identified as non-binary.

	2016/17	2017/18	2018/19
Mean Gender Pay Gap	13.6%	16.6%	**14.9%**
Median Gender Pay Gap	18.9%	25.2%	**27.1%**

The data shows our gender pay gap, based on mean (average) hourly salary, is **14.9% lower** for women, and the median hourly salary is **27.1% lower** for women across the organisation.

This is a 1.7% decrease in our mean gender pay gap figure compared to 2017-18, but a 1.9% increase in our median figure.

Bonus Payments in the period 1st April 2018 – 31st March 2019

Due to changes in methodology and increased guidance on completing our Gender Pay Gap figures[i], we are able to report more robustly on what payments have been made that constitute bonuses. As a result of these changes, there is no correlation between the 2018-19 figures and those of previous years so they have not been included in this report.

The payments reported on in this data include:

- Bonus payments (Commission)
- Market Force Supplements and Honorariums
- Allowances
- Increases related to achieving qualifications
- Health & Safety related payments (e.g. First Aider callouts)
- Length of Service Awards (in the form of vouchers)
- Other adjustments not included in basic pay

	2018/19
Mean Bonus Pay Gap	**51.8%**
Median Bonus Pay Gap	**44.4%**
Proportion of male employees who received a bonus:	**21.7%**
Proportion of female employees who received a bonus:	**10.1%**

The data shows that there is a mean (average) Bonus Pay gap of 51.8% and a median gap of 44.4% in favour of male employees across the organisation. Although this may appear a significantly high bonus gap, on analysis we can see that females in the organisation received a higher proportion of bonus payments for the majority of categories listed above.
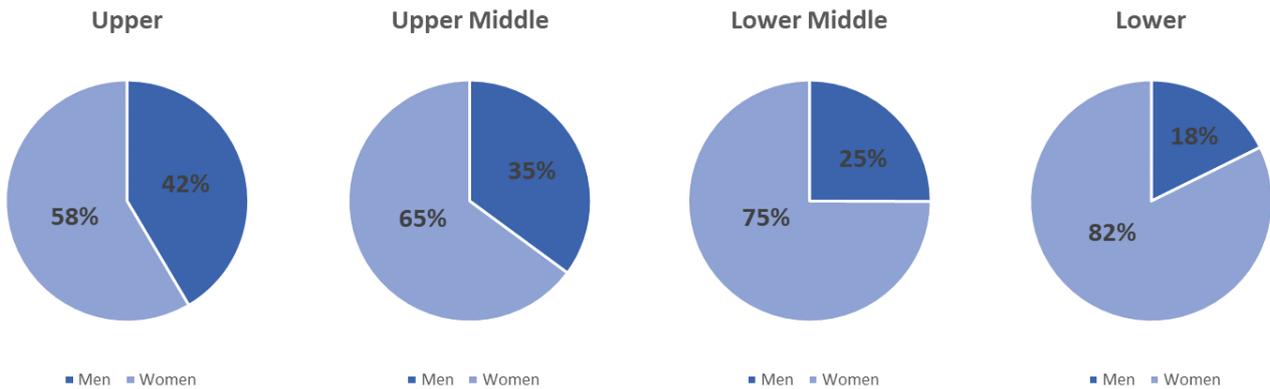
Employees	Bonus Payments	Market Force Supplements	Honorariums	Qualifications	Health & Safety	Length of Service	Other Adjustments
Females	60.0%	12.3%	48.9%	55.6%	35.8%	66.6%	79.5%
Males	40.0%	87.7%	51.1%	44.4%	64.2%	33.3%	20.5%

Market Force Supplements are the biggest bonus category to favour male employees. This is due to the fact that MFS are used to help appoint employees for "hard-to-fill" roles, predominantly in areas such as Engineering and Construction which typically attract male applicants.

We also see that 21.7% of male employees received some form of bonus during this reporting period, compared to 10.1% of females. This is likely due to the fact that 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).

Note: Create Skills and Charnwood employees were both in receipt of regular bonuses during this reporting period, however those organisations have since dissolved which will affect future bonus reports.

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 breakdown as:

Upper	Upper Middle	Lower Middle	Lower
42% Men / 58% Women	35% Men / 65% Women	25% Men / 75% Women	18% Men / 82% Women

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

	Upper	Upper Middle	Lower Middle	Lower
Female	21%	23%	27%	29%
Male	35%	30%	21%	15%

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	+6.8%	+1.7%	-1.3%	+3.8%
Male	-8.2%	-3.0%	+4.2%	-14.5%

We see a significant increase in the number of female employees in the Upper quartile, as well as a general increase in other quartiles. There has also been a notable decrease in male employees in the upper and lower quartiles.

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Gender Pay Gap Context

The National Gender Pay Gap as of April 2019[ii] was **17.3%,** however the GPG in the Education sector was **25.2%.** This places the RNN Group slightly higher than national figures for the Education industry. We will not be able to determine if we are above or below the April 2020 Education GPG until the national reports are released in 2021.

The RNN Group is likely to maintain 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 lower paid roles such as cleaners. It is also highlighted in the *Gender Pay Gap Briefing* that Yorkshire and the Humber holds the 5th highest GPG figure in the UK[iii].

The RNN Group continues to employee lower paid workers for roles such as Cleaners and Learning Support Assistants rather than outsourcing these to other companies. Also, we must highlight that we employed 20 apprentices during the snapshot date of 31 March 2019, of which 17 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.

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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.

As mentioned previously in this report, the scope and methodology used to calculate our gender pay gap has changed from that used in 2018. This is mainly due to increased guidance and understanding of how to report on data, as well as some internal organisation changes. We feel this new methodology is more transparent, and will offer greater opportunities in the coming years to increase our analysis of our organisation's pay.

We are committed to creating and implementing initiatives which will reduce our gender pay gap in future. This includes our efforts to improve pay for lower earners in line with government direction, as well as harmonising pay for all employees of the RNN Group while respecting our commitment to TUPE legislation.

Signed on behalf of the RNN Group by:

Jane Hartog
Executive Director of HR OD and Marketing

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[i] *The guidance provided by CIPD has been used to help create this report. That guidance was published on 27th January 2020 and can be found at https://www.cipd.co.uk/knowledge/fundamentals/relations/gender-pay-gap-reporting/guide*

[ii] "The Gender Pay Gap Briefing Paper No 7068" Full Report published 2 January 2020 by House of Commons https://researchbriefings.parliament.uk/ResearchBriefing/Summary/SN07068

[iii] "The Gender Pay Gap Briefing Paper No 7068" (above) page 20 provides a link to the data tables used for Region analysis