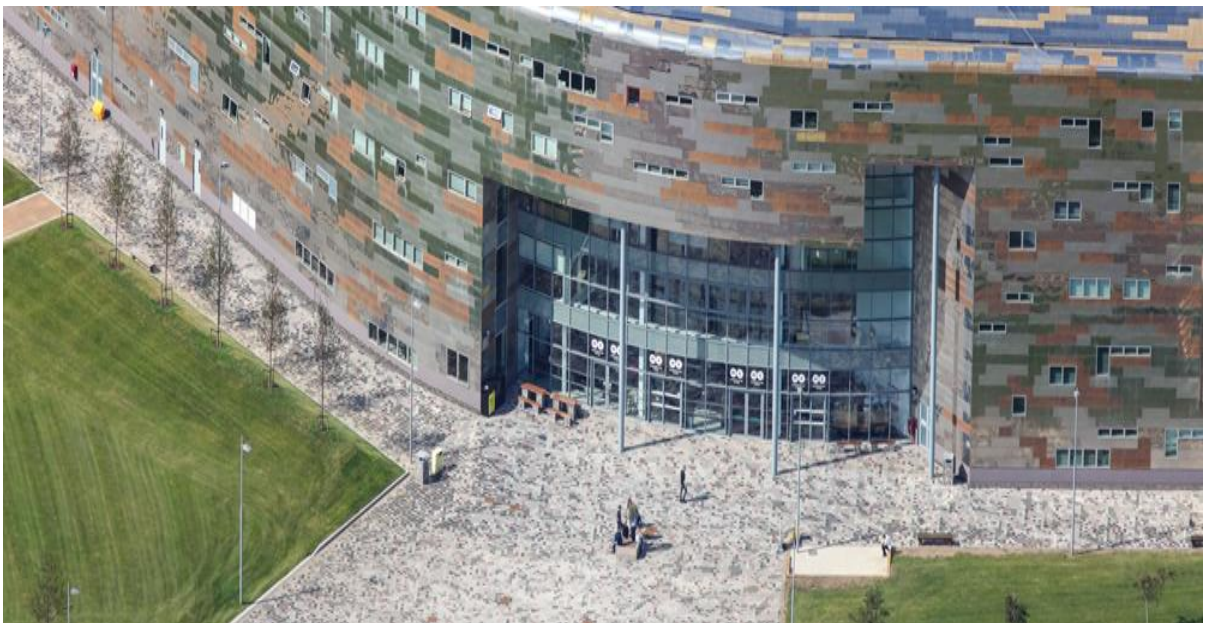




Human Resources

Gender Pay Gap Report

November 2019
Revised



Draft report presented to the Corporate Services Committee – 4 July 2019

Revised version to now include Northern Skills Group– November 2019

Final report presented to the Corporate Services Committee – XXXX

About the Report

Middlesbrough College is committed to working towards Gender Pay Neutrality, with a requirement that work is undertaken to narrow any gaps.

The aim of this report is to be open and transparent regarding the College's overall Gender Pay Gap figures, and this report complies with the current regulations on Gender Pay Gap Reporting for Public Sector employers, which came into force in April 2017.

This stipulates that companies with more than 250 employees need to publish a defined list of figures showing the difference between the median and average pay of their male and female employees annually. The information set out in this report is based on a snapshot of base pay, allowances and bonus paid during the previous 12 months, as at 5 April 2019.

Definition - **Gender Pay / Equal Pay**

The gender pay gap is a measure of the difference between men and women's average earnings across an organisation or the labour market. It is expressed as a percentage of men's earnings. Equal Pay means that men and women in the same employment performing equal work must receive equal pay, as set out in the Equality Act 2010.

Employers are required to publish six metrics:

- The difference between the mean hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees (*'the mean gender pay gap'*).
- The difference between the median, the mean hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees (*'the median gender pay gap'*).
- The proportions of male and female relevant employees in the lower, lower middle, upper middle and upper quartile pay band (*'the proportion of men and women in each of four pay quartiles'*).
- The difference between the mean bonus pay paid to male relevant employees and that of female relevant employees (*'the mean gender bonus gap'*).
- The difference between the median bonus pay paid to male relevant employees and that of female relevant employees (*'the median gender bonus gap'*).
- The proportions of male and female relevant employees paid bonus pay (*'the proportions of men and women getting a bonus'*).

Middlesbrough College has previously produced information on the first three of these metrics. In 2018/2019 Middlesbrough College / Northern Skills Group commenced a bonus scheme for sales targets and the bonus information relevant to employees is included in this report.

There is no requirement to publish any accompanying narrative or commentary, however, the College would like to take the opportunity to explain what the figures mean and what actions it is already taking to seek to close any gaps.

Reporting requirements apply to each legal entity within a group structure.

Previous Gender Pay Gap reports have focussed on Middlesbrough College only employee data. This report has combined the employee information of Middlesbrough College and Northern Skills Group, under the definition of 'relevant employer'. Any reference to Middlesbrough College is now inclusive of Northern Skills Information.

Extract from Gov.uk website

If your organisation is a 'relevant employer' and runs multiple payrolls (for example payrolls for different departments or business functions), you must merge relevant data from all your payrolls and report one set of figures for your organisation.

<https://www.gov.uk/guidance/gender-pay-gap-reporting-overview#relevant-employer>

The presentation of the data in this report is set out according to the following population groups:

1. Middlesbrough College (inclusive of Northern Skills Group).
2. Full-Time Roles
3. Part-Time Roles

Middlesbrough College cover all employees in a wide variety of roles on scale rates and non-scale rates.

- For scale roles by definition this is the same rate of pay for the role irrespective of gender therefore no differentials exist within each job.
- For non-scale roles employees, pay is more flexible with the opportunity to vary reward based on individual contribution and skills and therefore, there can be scope for inequity between different groups of employees.

The data has been broken down by both full-time and part-time staff. For hourly paid roles, the College has used the total salary divided by the number of hours to arrive at an hourly rate for the purpose of all comparisons.

The median figures represent the middle value within the data set.

The mean figures represent the average value within the data set. The overall gender split within Middlesbrough College’s workforce is 37 per cent men and 63 per cent women.

All percentage pay gaps are expressed as “female pay as a percentage of male pay”, using the following calculation:

$$\frac{(\text{Male hourly rate} - \text{Female hourly rate})}{\text{Male hourly rate}}$$

- A positive percentage means men are paid more than women
- A negative percentage means women are paid more than men.

Quartile information has been produced in line with the “Business in the Community” guidance on calculating quartiles to ensure proportionate distribution of men and women where the same hourly rate of pay cuts across quartiles.

As at 5 April 2019, Middlesbrough College employed 991 people in permanent, fixed term or hourly paid contract roles. However, for the purposes of gender pay reporting, 132 hourly paid staff had zero earnings and as such are excluded from the result giving us a revised data set of 859 staff.

There are 104 Term-Time Only employees of which 89 are female and 15 are male, with the majority of these being in the lower paid roles within the College.

Term time	Male	Female
37 Hours per week	11	58
<37 hours per week	4	31
Total	15	89

Overall Outcome

Middlesbrough College value their reputation for being seen as fair employers, and a gender pay gap does not mean they have acted inappropriately or discriminatorily.

The College are very confident that men and women are paid equally for doing equivalent jobs across the business, and it would like you to understand the College's view as to why a gender pay gap is present and what they are doing to close it.

In determining starting salaries and pay progression for non-scale roles and, to attract and retain the right calibre of people, the College use a number of acknowledged pay data sources to ensure they offer both competitive and fair pay across the different skill bases and functions they employ.

The following key points are to help the reader understand some of the complexities of the tables, and also help with the rationale of the findings.

Type	2016-2017	2017-2018	2018-2019
College Mean	9.80%	10.06%	8.26%
College Median	9.15%	14.76%	13.61%
National Pay Gap	18.1%	18.4%	17.3%

Median Hourly Pay (all employees)	Male	Female	Pay Gap	Differential (Nationally 17.3%)
2018/2019	£15.06	£13.01	13.61%	-3.69%
2018/2017	£14.91	£12.71	14.76%	-3.64%
2016/2017	£14.28	£12.88	9.80%	-8.30%

Mean Hourly Pay (all employees)	Male	Female	Pay Gap	Differential (Nationally 17.3%)
2018/2019	£14.90	£13.67	8.26%	-9.04%
2018/2017	£14.52	£13.06	10.06%	-8.34%
2016/2017	£14.32	£13.01	9.15%	-8.95%

- The Gender Pay Gap (8.26%) is below the national average Gender Pay Gap (17.3%).
- The Business operates structured salary spines for each job family, based on skills, experience and responsibility required for each role, regardless of gender.
- The Business currently (April 2019) has a 63% (Female): 37% (Male) split and this has varied little for at least the past 10 years.
- The Business has flexible working conditions for all staff and this includes Term Time Only working to fit in with family / child care arrangements. Currently there are 104 Term-Time Only employees of which 89 are female and 15 are male, with the majority of these being in the lower paid roles within the College.
- The Business has in place a number of actions intended to reduce the gender pay gap, including a review of its recruitment processes and career development opportunities so that it is explicit that the College welcomes applications from all individuals, and complies with all protected characteristics under the Equality Act.

Bonus Payments

These bonus payments are calculated on all relevant employees.

- The College makes minimal payments in this area.
- Bonus payments this year are for sales targets. In the 12 month period covered the College made 17 such payments 15 were to women and 2 to men.
- Proportionally this means that 0.63% of males received a bonus and 2.76% of females no bonuses were paid last year.
- This equated to a mean bonus gender pay gap of -22.4% and a median bonus gender pay gap of 0.6%.

Quartile Bands

Quartile	Female Number	Female Percentage	Male Number	Male Percentage	Total Number
Lower	158	73.5%	57	26.5%	215
Lower Middle	141	65.9%	73	34.1%	214
Upper Middle	124	57.7%	91	42.3%	215
Upper	120	55.8%	95	44.2%	215

- The Business recognises that it attracts a significant number of females to its more lower paid and lessor skills based roles, primarily due to its range of family friendly policies and Terms & Conditions, including offering the Living Wage and Term-Time Only working.
- The Business also offers career progression opportunities and staff development to all employees, who wish to progress, with all adverts being open to internal candidates, and some roles only being offered to internal candidates.

The Business will continue to monitor the Gender Pay Gap profile on an annual basis and share this information with Senior Leadership Team, Corporate Services and Trade Unions, with a view to identify any actions that may be required to address any differential that may exist at the time.

Proposed Action Plan is to analyse:

- Gender balance by seniority structure / job families.
- Gender balance in promotion / salary betterments.
- Gender demographics for lower paid roles.
- Staff recruitment routes and applicant pool.
- Staff exiting the organisation, by seniority and job families.
- Performance scores by Gender.
- Flexible Working Arrangements by Gender.
- Access to Continuous Professional Development by Gender.
- Profile of staff with caring responsibilities by Gender.

For and on behalf of Middlesbrough College

Kelly Parkinson

Executive Director Human Resources