

Gender Pay Gap

Executive Summary

As the college has more than 250 employees, new legislation requires it to provide an analysis of its pay rates, comparing those for males and females to indicate the extent to which there is any disparity in the rates.

The college has engaged external experts Menzies Law to provide advice and undertake the analysis of the gender pay gap.

Attached is the report from the Group HR Director, summarising the findings from the work by Menzies Law.

For this review we have looked at the college by centre, so the three boroughs and Westbourne Academy.

The process analyses the actual salaries both as a mean and using the median, and we need to measure these against government benchmarks.

In summary the outcome is:

Location	Mean	Median	Comment
Hackney	-3.3%	-2.6%	This shows women are paid more than men
Redbridge	6.7%	5.8%	
Tower Hamlets	13.2%	13.6%	This may be distorted in part by the number of male senior managers on the THC payroll
Westbourne Academy	12.2%	1.2%	
Benchmark	18.3%	26.4%	

Overall we are comfortably within the benchmark, particularly on an aggregated basis.

Introduction

In 2016 the Government brought in new regulations which require all employers with 250 or more employees to collect and analyse their pay data as it stands at a “snapshot” date, 31 March 2017. The College will be required by law to publish gender pay data annually on their own website and on a government website.

New City College commissioned Menzies Law to advise the College on what its gender pay gap might be and provide relevant legal analysis. The report included an audit of our current pay and grading data and identified any gender-related pay differences. Menzies Law will also advise on any equal pay and sex discrimination legal risks to the College. This however, will not form part of this report.

The purpose of this report is to provide SMT with the College’s current gender pay gap position and the actions the College intends to take to address any areas of concern.

Background

This preliminary report sets out gender pay gap reportable data, using the dataset provided by the College for:

- Hackney Community College
- Redbridge College
- Tower Hamlets College
- Westbourne Academy.

For the purpose of the legislation this needs to be reported separately for each college.

What the numbers mean

The report compares the ordinary hourly rate pay data for men and women, as this is the basis on which the gender pay gap reporting requirements have been developed. The requirements are that data should be calculated in both mean and median format.

The Regulations define “pay” as including:

- basic pay (after salary sacrifice has been deducted)
- paid leave that does not result in an employee being paid at a reduced rate or nil rate (e.g. annual, maternity, paternity, adoption, parental leave and shared parental leave pay, sick pay)
- bonuses
- shift premiums (e.g. pay for hours worked during a different time of the day or night)
- allowances (e.g. car, clothing, first aider, fire warden).

However, pay does not include: paid leave that results in the employee being paid at a reduced rate or nil rate (e.g. annual, maternity, paternity, adoption, parental leave and shared parental leave pay, sick pay)

- overtime pay
- expenses
- benefits in kind
- redundancy pay arrears of pay and tax credits.

Pay must be calculated before deductions for PAYE, NICs, pensions, student loan repayments and any voluntary deductions.

Qualifying employers must publish the following gender pay gap statistics about their employees based in Great Britain:

- the mean and median gender pay gap figures for the organisation;
- the mean and median bonus pay gender pay gap for bonus payments over the preceding 12 months; the proportions of male and female employees who were paid a bonus; and
- the number of men and women working across the 4 salary quartiles.

The College does not operate a bonus scheme so this will not form part of this report.

Mandatory gender pay gap

According to the Office of National Statistics Annual Survey of Hours and Earnings, the median gender pay gap in the UK has decreased from 22.5% in 2008 to 18.4% in 2017 in favour of men,

despite the equal pay legislation having been in place for 45 years. This is an average figure and will of course vary significantly between business sectors. The following statistics have been taken from the latest ONS Annual Survey of Hours and Earnings 2017:

Sector:	Median	Mean
Education	26.4%	18.3%

Hackney Community College

The data set provided for this group of staff includes 453 staff; 167 Male (36.9%), 286 Female (63.1%).

Analysis of the data shows that, for this college, there is currently a mean gender pay gap in hourly pay of -3.3% on average (a negative gap is in favour of women). The median gap is -2.6%. These figures compare well against the national and sector averages. They also compare well to gaps found in analyses of other colleges.

The final piece of reportable data is the number of men and women at each quartile in their pay distribution. This is intended to help the College consider where women are concentrated in the overall distribution of the organisation, and if there are any blockages to their progression. Our data shows that we have significantly more women (63.1%) than men (36.9%) in our College and the proportion of women in the Upper paid band is disproportionately higher. This would infer that women are more likely to be promoted, or appointed, to higher paid roles.

Redbridge College

The data set provided for this group of staff includes 269 staff; 79 Male (29.4%), 190 Female (70.6%).

Analysis of the data shows that, for this college, there is currently a mean gender pay gap in hourly pay of 6.7% on average. The median gap is 5.8%. Again, these gaps compare well with the national and sector gaps, and when viewed against other colleges analysed.

The number of men and women at each quartile shows that we have significantly more women (70.6%) than men (29.4%) in our College. And the number of women in the lower paid bands is proportionately higher. This would infer that men are more likely to be promoted, or appointed, to higher paid roles.

Tower Hamlets College

The data set provided for this group of staff includes 364 staff; 141 Male (38.7%), 223 Female (61.3%).

Analysis of the data shows that, for this College, there is currently a mean gender pay gap in hourly pay of 13.2% on average in favour of men. The median gap is 13.6%. These gaps still compare favourably with the national and sector averages and are broadly in line with the gaps identified in other colleges.

The number of men and women at each quartile shows that we have significantly more women (61.3%) than men (38.7%) in the college. However, whilst we have roughly equal numbers of men and women in the highest band, there are fewer men in the other bands. This suggests that women are more likely to be recruited to the lower paid roles.

Westbourne Academy

The data set provided for this group of staff includes just 23 staff; 11 Male (47.8%), 12 Female (52.2%). Whilst we are not required to report statistics for this group, it is worth seeing them as part of an overview with the other colleges to understand our full position. However, it should be noted that average data of this nature can be quite volatile for small groups of staff and could change dramatically should the circumstances of any of the employees change.

Analysis of the data shows that, for this Academy, there is currently a mean gender pay gap in hourly pay of 12.2% on average in favour of men. The median gap is 1.2%, which compares well with national and sector gaps and those we have found in other colleges.

The number of men and women at each quartile shows that we have similar levels of men (47.8%) and women (52.2%) in this academy. However, whilst we have roughly equal numbers of men and women in the highest bands, there are fewer women in the Middle Lower band and very few men in the Lower band. This suggests that women are more likely to be recruited to the lower paid roles.

In summary the findings are very positive. Although the median for Tower Hamlets College is relatively higher than at the other colleges, this may be distorted in part by the number of male senior managers on the THC payroll, when this is looked at as part of New City College the figure is 5.6%.

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