

Remuneration Committee Gender Pay Gap Report

In 2017 the Government introduced a requirement for all organisations with over 250 employees to publish data in relation to gender and pay. Although we are not required by law to publish this information the College has undertaken a gender pay analysis exercise at the census date of 31 March 2023 of our core staff.

Gender composition of core workforce

As at the 31 March 2023 date the gender split of the core workforce was 69% female staff and 31% male staff. The College does not pay staff bonuses so this report will focus on the mean and median pay gap figures for hourly rates.

| | 31 March 2023 | 31 March 2022 |
|--------|---------------|---------------|
| Female | 69% | 75% |
| Male | 31% | 25% |

Median Gender Pay Gap

The median gender pay gap analyses our staff by their hourly pay. Then we compare the woman in the middle of the female pay range with the man in the middle of the male pay range. The difference is the median gender pay gap. At the census date this year the woman in the middle of the female pay range received 14.75% less than the male in the middle of the male pay range. The median pay gap figure results in a £2.46 difference between the male and female median hourly rate which is an improved position on £3.04 (17.94%) in 2022.

- **The median gender pay gap for Northern College was 14.75 %**
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Mean Gender Pay Gap

We add together the hourly rates that women receive and divide them by the number of women in our workforce. We then repeat this calculation for men. The difference between these figures is the mean gender pay gap. This year the average pay for women was 0.12% less per hour than the average pay for men. The mean pay gap figure results in a £0.02 difference between the male and female mean hourly rate. Again, this is an improved position on 2022 which saw a £0.58 difference (3.33%).

- **The mean gender pay gap for Northern College was 0.12%.**

The median is less swayed by extreme values, particularly a small number of people on high salaries. The mean is useful because it does capture the effect of a small number of high earners.

Pay quartiles by gender

To arrive at the figures above, College staff have been split into four equal sized pay quartiles by gender based on hourly rates of pay e.g. the lower quartile being the lowest 25% of staff as illustrated in the table below.

| Quartile | Males | Females | Description |
|-----------------|--------------------|--------------------|---|
| Lower | 13.33% (20%) | 86.67% (80%) | Includes all employees whose standard hourly rate places them at or below the lower quartile |
| Lower Middle | 26.67% (6.67%) | 73.33% (93.33%) | Includes all employees whose standard hourly rate places them above the lower quartile but at or below the median |
| Upper Middle | 50% (46.67%) | 50% (53.33%) | Includes all employees whose standard hourly rate places them above the median but at or below the upper quartile |
| Upper | 33.33% (31.25%) | 66.67% (68.75%) | Includes all employees whose standard hourly rate places them above the upper quartile |

Analysing the College's gender pay gap reveals that the upper quartile broadly reflects the gender balance of the College's whole staff group which is female dominated. The lower and upper middle quartiles demonstrate the biggest differential from the College's workforce gender split. The highest and lowest pay grades within the College are dominated by female workers, with an all female Executive Leadership team and the lowest graded post of Estates and Facilities Cleaner being a female dominated occupation.¹

Comparison with all sectors and the public sector

The vast majority of organisations have a gender pay gap, and our mean pay gap compares very favourably with that of other organisations, including those within the public sector. Data obtained from the Office for National Statistics (ONS).

¹ Figures in brackets denote figures as at 31 March 2022.

| | Northern College (2022 data) | 2022 ONS data for all sectors (2021 data) | 2022 ONS data Public Sector (2021 data) |
|-----------------------|-------------------------------------|--|--|
| Mean gender pay gap | 0.12% (3.33%) | 13.9% (11.9%) | 13.6% (14.8%) |
| Median gender pay gap | 14.75% (17.94%) | 14.9% (7.9%) | 15.9% (18%) |

The mean gender pay gap for the whole economy (according to the 2022 ONS figures) is 13.9%, while for the public sector it is 13.6%. At 0.12%, the College's mean gender pay gap is, therefore, significantly lower than all sectors and the public sector and brings us very close to having no pay mean pay gap. However, it should also be noted that given the size of the College's workforce small staffing changes can have a significant impact on the data set.

The median gender pay gap for all sectors (according to the 2022 ONS figures) is 14.9%, while in the public sector it is 15.9%. At 14.75%, the college's median gender pay gap is, therefore, lower than all sectors and the public sector.

What is Northern College doing to address its gender pay gap?

The College is committed to monitoring and reducing the gap where possible. However, the College also recognises that its scope to act is limited in some areas - it has, for example, no direct control over the subjects that individuals choose to study or the career choices that they make.

To date, the steps that the College has taken to promote gender diversity in all areas of its workforce include the following:

- **Creating an evidence base:**
 - Continuing to analyse and review workforce information annually including reporting on the proportions of men and women applying for jobs and being recruited; and on the take-up of flexible working arrangements by gender and level within the organisation.
 - Job evaluated business support roles to ensure equal pay and grading based on roles and responsibilities.
 - Continuing to review the Equality and Diversity training offer including unconscious bias training.

- Continuing to monitor training participation by gender to ensure that female staff are participating in training opportunities offered by the College which may lead to career development.

Recommendations

The College wants to ensure that people are treated fairly, irrespective of their gender and in line with its approach to equality and diversity. With that in mind the College should continue to monitor pay and reward at the College including gender pay on an annual basis.