



New College Durham

## Gender Pay Reporting 2017

### 1. Introduction & Legislation

The purpose of gender pay reporting is to show the difference between the average earnings of men and women.

Under the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 the College has a legal duty to report on gender pay.

Schedule 2 of the aforementioned regulations detail that “the governing body of an institution in England within the further education sector (within the meaning of section 91(3) of the Further and Higher Education Act 1992 c) are legally required to publish such information.

The regulations require the College to publish key information based on an agreed methodology. Annex A details the calculations that have been used.

Under the regulations there are six calculations that the College are required to report on. These are:

- Average gender pay gap as a mean average
- Average gender pay gap as a median average
- Average bonus gender pay gap as a mean average
- Average bonus gender pay gap as a median average
- Proportion of males receiving a bonus payment and proportion of females receiving a bonus payment
- Proportion of males and females when divided into four groups ordered from lowest to highest pay

### 2. What is a gender pay gap?

Gender pay gap differs from equal pay. The College undertook an Equal Pay Audit in 2015 which demonstrated through the analysis of both basic pay and gross pay that there were no significant gaps.

Whilst equal pay deals with the differences between men and women who carry out the same jobs, similar jobs or work of equal value, gender pay gap shows the differences in the average pay between men and women.

According to the Annual Survey of Hours and Earnings (ASHE) which is based on a 1% sample of jobs taken from the HMRC PAYE records, in 2015 the median gender pay gap within the Education sector was 25.3% and in 2016 stood at 26.7% (*Source: Office of National Statistics website*).

It is noted that equal pay is unlawful and that the College has demonstrated from the publication of our Equal Pay Audit 2016 that the College does not have an issue with equal pay. However, that said it should be recognised that this report may still demonstrate that there is a gender pay gap based on the profile of the College.

### 3. Scope of Report

- The data for this exercise has been taken from March's payroll which includes the snapshot date of 31 March 2017;
- The data includes all employees who are paid on a substantive or fixed term basis as well as College Supply Pool employees;
- For supply pool staff who do not have a regular number of weekly working hours an average of the number of hours worked over the preceding 12-week period has been taken;
- The data includes basic pay, allowances (including Market Rate Supplement (MRS) payments, shift pay premiums;
- The data does not include overtime pay, redundancy or termination payments, or non-cash benefits such as those paid through salary sacrifice;
- For the purposes of this report (as specified in the regulations) a pay period of one month equates to 30.44 days.
- The regulations create two categories of people that need to be taken into account in gender pay reporting: **relevant employees** and **relevant full-pay employees**.
  - A relevant employee is each individual job-holder employed by the College at the snapshot date (31 March 2017). This equates

to a total of 655 employees of which 242 are males (37%) and 413 are females (63%).

- A full-pay relevant employee is one who is employed by the College and is receiving “full pay” during the specified pay period. Where a member of staff is being paid less than usual rate of pay or zero (i.e. due to maternity, sickness) then they are not classed as a “full-pay relevant employee” for the purposes of this report. This equates to 629 employees of which 238 are males (38%) and 391 are females (62%).

#### **4. New College Durham Results**

The data used for this exercise has been taken directly from the College’s HR/Payroll database and covers the snapshot period of 31 March 2017.

##### **5.1 The mean gender pay gap**

The mean hourly rate of pay for all male full-pay relevant employees is £16.92. The mean hourly rate of pay for all female full-pay relevant employees is £14.69.

The mean gender pay gap therefore equates to **13.18%**.

##### **5.2 The median gender pay gap**

The median hourly rate of pay for all male full-pay relevant employees is £18.18. The median hourly rate of pay for all female full-pay relevant employees is £13.52.

The median gender pay gap therefore equates to **25.63%**.

##### **5.3 The mean bonus gender pay gap**

The College does not make bonus payments

##### **5.4 The median bonus gender pay gap**

The College does not make bonus payments

##### **5.5 The proportion of males and females receiving a bonus payment**

The College does not make bonus payments

## **5.6 The proportion of males and females in each quartile band**

- Of the 157 relevant full-pay employees in the lower quartile, 48 are male and 109 are female. This means that 30.6% are male and 69.4% are female.
- Of the 157 relevant full-pay employees in the lower middle quartile, 49 are male and 108 are female. This means that 31.2 % are male and 68.8% are female.
- Of the 157 relevant full-pay employees in the upper middle quartile, 73 are male and 84 are female. This means that 46.5% are male and 53.5% are female.
- Of the 158 relevant full-pay employees in the upper quartile, 68 are male and 90 are female. This means that 43% are male and 57% are female.

## **5. Conclusion**

This is the first time that the College has published our gender pay gap. Our mean gender pay gap is 13.18% and our median gender pay gap is 25.63% (in keeping with industry norms).

It is recognised that there are more men in senior roles within the College, although there has been a recent female appointment to the senior tier within the past year. It is also important to note that within the College a large number of part-time opportunities (i.e. term-time only contracts) are available which reflects our business needs/service provision. Such roles are predominantly filled by female staff. Although the College offers flexible working arrangements to all staff, more requests are made by women, which reflects society norms in that the lion share of childcare is still traditionally undertaken by women.

It is further noted that within the College there are curriculum areas that are more difficult to recruit to than others, and this is reflective of the position nationally. Such areas include Engineering, which in order to recruit successfully to this area, we are required to provide a salary enhancement by way of a Market Rate Supplement. Such roles predominantly attract male applicants and again this is reflective of gender imbalances that exist in these areas nationally. The College actively encourages female staff (and vice versa with males in female dominated environments) to apply for jobs in what are still seen to be traditionally male dominated roles and we have had success in doing this over the past three years. We now employ three female staff within our

Technology areas and two male staff within our Early Years and Care setting, which historically were 100% biased towards one gender.

The College is confident that men and women are paid equally for doing the equivalent or same job and this was demonstrated in our most recent Equal Pay Audit. This in the main is due to the fact that the College operates a successful Job Evaluation (JE) Scheme which has been in place for over 13 years and is reviewed in line with ACAS best practice. Of which the last of these reviews took place in 2014. It is important to note that New College Durham is still one of the few College's in the country that operates a JE scheme. Fundamentally the College's pay and grading structure is determined by Job Evaluation and is not driven by gender.

The College ensures that we have policies and procedures in place that are fair to all and will continue to monitor the impact of these policies in terms of our gender pay gap.

Since the snapshot data was taken the College has recently TUPE'd the College's cleaning service in house. It is recognised that as a result of this TUPE'ing process next year's gender pay gap results will increase as such roles are traditionally low paid (i.e. National Minimum Rates of Pay) and are currently all filled by female employees. However what is fundamental to this is that the College is looking to transfer these staff across onto New College Durham Terms and Conditions in which the rate of pay is significantly higher than their pre-transfer rate, and again has been determined by JE.

### Calculations

The calculations that have been utilised for this exercise are in accordance with those published in the regulations.

#### 1. The mean gender pay gap

This calculation shows the difference between the mean hourly rate of pay that male and female full-pay relevant employees receive.

The calculation used is:

$$\frac{(A - B)}{A} \times 100$$

A is the mean hourly rate of pay of all male full-pay relevant employees

B is the mean hourly rate of pay of all female full-pay relevant employees

The result is expressed as a percentage

#### 2. The median gender pay gap

This calculation shows the difference between the median hourly rate of pay that male and female full-pay relevant employees receive.

The calculation used is:

$$\frac{(A - B)}{A} \times 100$$

A is the median hourly rate of pay of all male full-pay relevant employees

B is the median hourly rate of pay of all female full-pay relevant employees

The result is expressed as a percentage

#### 3. The mean bonus gender pay gap

This calculation shows the difference between the mean bonus pay that male and female relevant employees receive.

The calculation used is:

$$\frac{(A - B)}{A} \times 100$$

A is the mean bonus pay of all male relevant employees who were paid bonus during the 12-month period ending with the snapshot date.

B is the mean bonus pay of all female relevant employees who were paid bonus during the 12-month period ending with the snapshot date.

Female and male relevant employees who were not paid bonus pay during the 12-month period ending with the snapshot data are not included.

The result is expressed as a percentage.

#### **4. The median bonus gender pay gap**

This calculation shows the difference between the median bonus pay that male and female relevant employees receive.

The calculation used is:

$$\frac{(A - B)}{A} \times 100$$

A is the median bonus pay of all male relevant employees who were paid bonus during the 12-month period ending with the snapshot date.

B is the median bonus pay of all female relevant employees who were paid bonus during the 12-month period ending with the snapshot date.

Female and male relevant employees who were not paid bonus pay during the 12-month period ending with the snapshot data are not included.

The result is expressed as a percentage.

## 5. The proportion of males and females receiving a bonus payment

These calculations show the proportion of male relevant employees who were paid any amount of bonus pay, and the proportion of female relevant employees who were paid any amount of bonus pay.

The first part of the calculation is:

$$\frac{A}{B} \times 100$$

A is the number of male relevant employees who were paid bonus pay during the 12-month period ending with the snapshot data.

B is the number of male relevant employees

The second part of the calculation is:

$$\frac{C}{D} \times 100$$

C is the number of relevant female employees who were paid bonus pay during the 12-month period ending with the snapshot data.

D is the number of female relevant employees

## 6. The proportion of males and females in each quartile band

This calculation shows the proportions of male and female full-pay relevant employees in four quartile pay bands, which is done by dividing the workforce into four equal parts.

The calculations used are:

### Part 1

$$\frac{A}{C} \times 100$$



## Part 2

$$\frac{B}{C} \times 100$$

A is the number of male full-pay relevant employees in the quartile

B is the number of female full-pay relevant employees in the quartile

C is the total number of employees in the quartile