

DATE: 30 MARCH 2018

SUBJECT: GENDER PAY GAP – LINCOLN COLLEGE (SNAPSHOT DATE 31 MARCH 2017)

REPORT BY: CLAIRE O’HARA (GROUP HEAD OF HR)

1 INTRODUCTION

1.1 From 6 April 2017 employers in Great Britain with more than 250 employees will be required by The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 to publish the following four types of figures annually on their own website and on a government website:

- Gender pay gap (mean and median averages);
- Gender bonus gap (mean and median averages);
- Proportion of men and women receiving bonuses;
- Proportion of men and women in each quartile of the organisation’s pay structure .

1.2 Lincoln College is at the core of the Lincoln College Group (LCG) and incorporates three separate legal entities i.e. Lincoln College Corporation (LCC), Lincoln College Corporate Support Solutions (LCCSS) and Deans Sport and Leisure. The Regulations require each separate legal entity (i.e. the employer) with at least 250 employees within a group structure to calculate and publish separate reports. As such LCCSS and Deans Sport and Leisure fall outside of this obligation; however the legislation requires Lincoln College (as a relevant employer) to publish the statutory calculations (578 headcount as at 31 March 2017).

1.3 LCCSS was established in October 2012 to enable LCC to conduct its business in a more commercially focused manner, the company was formed to conduct future corporate (non-teaching) activities. All corporate staff employed at that time were seconded to LCCSS and remain employed by Lincoln College, as such only these staff are included in the gender pay gap analysis.

1.4 It is important to reiterate that the gender pay gap differs from equal pay. Equal pay deals with the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value. It is unlawful to pay people unequally because they are a man or a woman.

1.5 The gender pay gap shows the differences in the average pay between men and women.

1.6 The UK gender pay gap currently stands at 17.4% (mean) and 18.4% (median) in favour of men; this reduces to 9.1% (median) for full time employees and 14.1% (mean); it reduces even further for part time employees to -5.1% (median) and 5.2% (mean) for part time staff.

2 GENDER PAY GAP

2.1 The Mean Gender Pay Gap

This calculation requires the college to show the difference between the mean hourly rates of pay that male and female employees receive, shown below.

| Female | Male | Difference |
|---------------|-------------|-------------------|
| £13.83 | £16.03 | 13.7% |

Table 1: The Mean Gender Pay Gap

2.2 The Median Gender Pay Gap

This calculation requires the college to show the difference between the median hourly rates of pay that male and female employees receive, shown below.

| Female | Male | Difference |
|--------|--------|------------|
| £12.73 | £17.11 | 25.6% |

Table 2: The Median Gender Pay Gap

3. BONUS PAY

3.1 The proportion (in percentage terms) of male and female employees who received bonus pay during the period of 12 months preceding 31 March 2017 was 0.28% female (1/349 employees) and 0.87% male (2/229 employees).

3.2 The Mean Bonus Pay Gap

| Female | Male | Difference |
|-----------|---------|------------|
| £1,827.14 | £12,750 | 85.7% |

Table 3: Mean Bonus Pay Gap

3.3 The Median Bonus Pay Gap

| Female | Male | Difference |
|-----------|---------|------------|
| £1,827.14 | £12,750 | 85.7% |

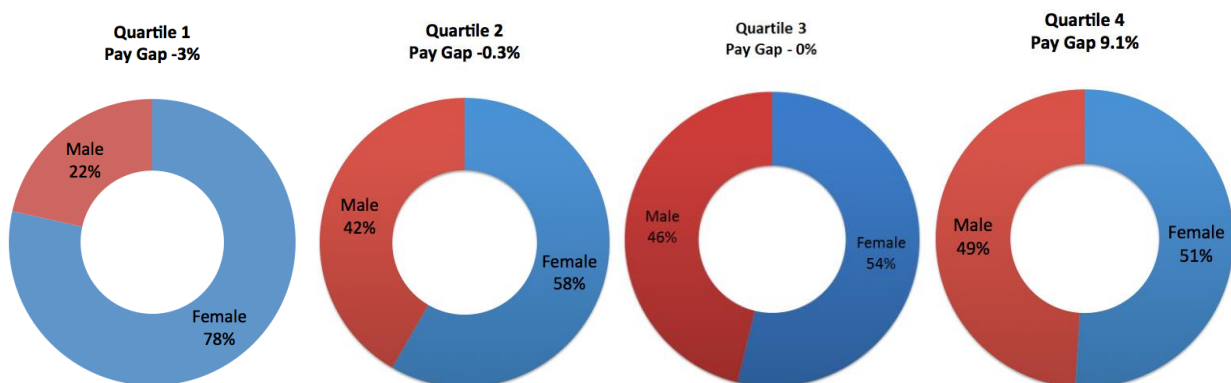
Table 4: Median Bonus Pay Gap

4 PAY QUANTILES

| The Gender Split in Each Pay Quartile - Headcount | | | | | | | | | | | |
|---|------|-------|--------|------|-------|--------|------|-------|--------|------|-------|
| Q1 | | | Q2 | | | Q3 | | | Q4 | | |
| Female | Male | Total | Female | Male | Total | Female | Male | Total | Female | Male | Total |
| 113 | 31 | 144 | 84 | 60 | 144 | 78 | 67 | 145 | 74 | 71 | 145 |

| The Gender Split in Each Pay Quartile - Proportion | | | | | | | | | | | |
|--|-------|--------|--------|-------|--------|--------|-------|--------|--------|-------|--------|
| Q1 | | | Q2 | | | Q3 | | | Q4 | | |
| Female | Male | Total | Female | Male | Total | Female | Male | Total | Female | Male | Total |
| 78.5% | 21.5% | 100.0% | 58.3% | 41.7% | 100.0% | 53.8% | 46.2% | 100.0% | 51.0% | 49.0% | 100.0% |

Table 5/6: Pay Quartiles Headcount/Proportion



Graph 1: The Proportion of Employees in Each Quartile Pay Band (including Quartile Pay Gap)

| Quartile and Hourly Rate | % of Total Female | % of Total Male |
|--------------------------|-------------------|-----------------|
| Q1: £8.47 - £10.66 | 32.4% | 13.5% |
| Q2: £10.66 - £14.33 | 24.1% | 26.2% |
| Q3: £14.33 - £18.16 | 22.3% | 29.3% |
| Q4: £18.16 - £87.32 | 21.2% | 31% |

Table 6: Pay Quartiles by Gender

5 NARRATIVE

- 5.1 Lincoln College seeks to employ a workforce that reflects the diverse community it serves, because it values the individual contributions of all people. The college will treat all employees with respect and dignity and provide a working environment free from unlawful discrimination, harassment or victimisation. To this end, within the framework of the law and best practice, it is committed to achieving and maintaining a workforce that broadly reflects the local community.
- 5.2 Based on the methodology as outlined in The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, Lincoln College's mean gender pay gap is 13.7%, 3.7% lower than the UK average. Lincoln College's median gender pay gap is 25.6%, 7.2% higher than the UK average.
- 5.3 Unlike equal pay, which refers to paying a man and a woman the same amount for the same, or similar work, a gender pay gap is the difference in average pay between men and women in our organisation. Lincoln College are confident that men and women are paid equally for doing equivalent jobs across the organisation.
- 5.4 The profile of our organisation, with more men at senior levels and significantly more women in the lower pay quartile means that our average male hourly rate is higher than our average female hourly rate. Furthermore, the Subsidiary Company structure of the organisation (see 1.3) contributes to the high median pay gap (as it excludes a significant employees) for Lincoln College as a stand-alone entity. The mean gender pay gap for Lincoln College (headcount 807) including LCCSS (headcount 199) and Deans Sport and Leisure (headcount 30) reduces to 12.7% and the median pay gap more than halves to 10.4%.
- 5.5 Although not required to report, it is worthy to note that the Mean Pay Gap for full time staff is 10.39% and reduces even further to 7.3% for part time staff. The Median Pay Gap for full time staff is 11.22% and 12.42% for part time staff.
- 5.6 Lincoln College commit to trying to further understand the reasons behind the high proportion of females in the lower quartiles and part time roles (76% of all part time employees are female, 46% of all full time employees are female) to ensure that there is support for female employees with children/caring responsibilities, particularly how they progress at work.

REPORT END