



CORE GENDER PAY GAP REPORT

2023/24



Learning | Training | Employment



WELCOME



LTE Group is one of the UK's largest Further Education providers.

We transform lives through the power of education and training, supporting our learners to achieve their ambitions and aspirations with our diverse offering across further education, higher education, apprenticeships, online professional development, and prison offenders with new vocational skills, improved employment prospects and hope for the future.

Our teachers, tutors and support staff are passionate about helping our learners to achieve, demonstrating the very highest professionalism, daily dedication, determination and industry talent that shines through in everything they deliver. Our organisation's values underpin everything that we do, enabling our family of colleagues to achieve their full potential, working on the foundation of: Integrity; One Team; Always Improving; Being Sustainable, and Can Do.

Latest Performance on Gender Pay

Our mean gender pay gap has increased marginally this year, this is mostly because we supported colleagues in The Manchester College, UCEN Manchester, and Group Functions with a cost-of-living non-consolidated payment in the 12-month period, which has skewed our pay gap figures as at 31st March 2023.

Our report includes data on Ethnicity gaps, and for the first-time disability gaps. We are under no obligation to provide reporting in these areas, but we consider it an essential area of our overall commitment to Equality, Diversity and Inclusion.

ANGELA HUNTER

Managing Director
Group Operations and Deputy Chief Executive

This past year has seen some significant changes to our pay modelling including a re-structure and improvements to our pay ranges along with additional non-consolidated payments to certain cohorts, to support them in the current cost-of-living climate. This has skewed our figures however overall; the gap has only marginally increased.

I can also report our commitment to transparency in reporting our disability pay gap for the first time, which underlines our commitment to being a diverse and inclusive organisation for all colleagues.

We have seen investment in supporting colleagues' wellbeing, and future plans for additional learning and development are in motion, to further colleagues' aspirations. It's pleasing to see such good progress being made.

PHILIP JOHNSON

Chair

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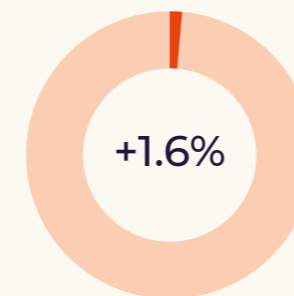
OUR 2023 STATUTORY NUMBERS

Gender Pay Gap

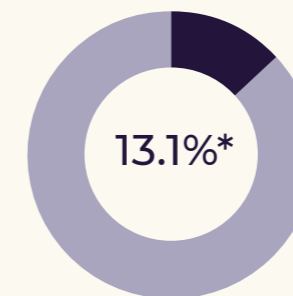
Statistic	2022	2023	Movement
Mean Gender Pay Gap	7.0%	8.6%	+1.6%
Median Gender Pay Gap	3.5%	5.5%	+2.0%

Mean Gender Pay Gap

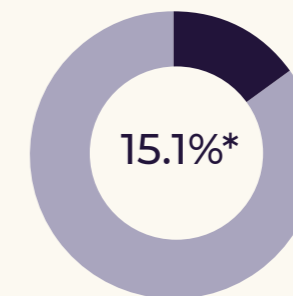
Our mean gender pay gap this year is **8.6%**



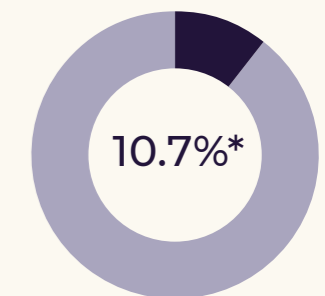
Mean gender pay gap **increase**



National mean pay gap



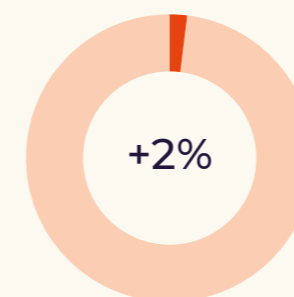
Educational establishments



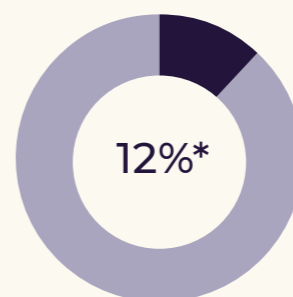
Technical and Vocational Secondary Education

Median Gender Pay Gap

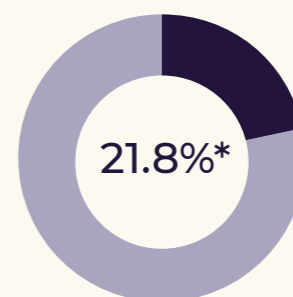
Our median gender pay gap this year is **5.5%**.



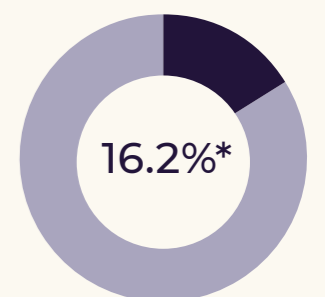
Mean gender pay gap **increase**



National median pay gap



Educational establishments

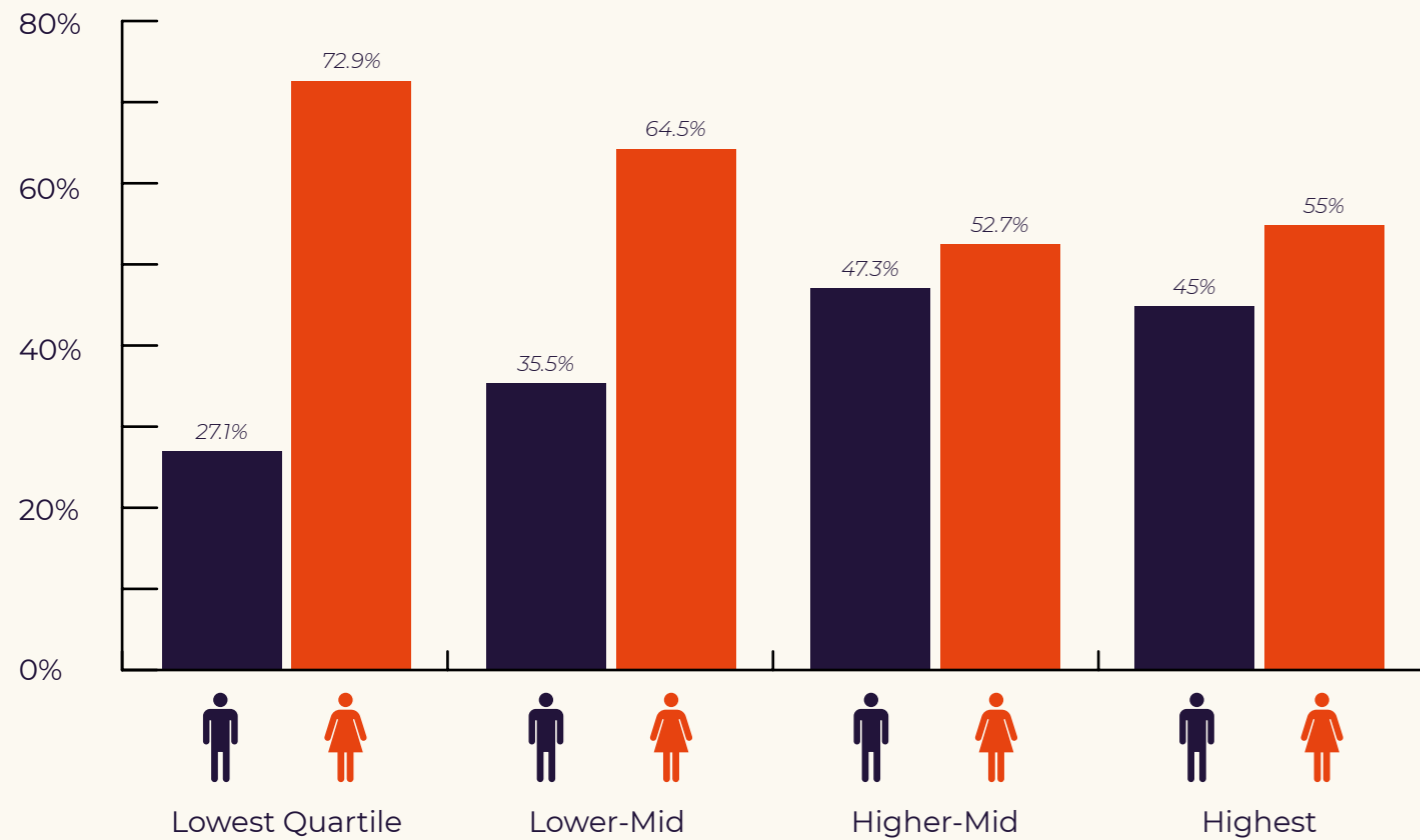


Technical and Vocational Secondary Education

* Based on published data on Gov.uk for the reporting year 2022-23.

Hourly Pay Quartiles

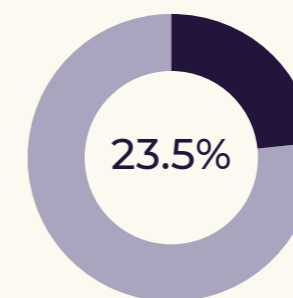
- The percentage of men and women in each quartile varies, compared to our 63.5% female representation
- In the **lower quartile** our female representation is **higher than the overall** make-up of the organisation due to a higher female representation in roles such as admin, cleaners, catering staff
- Our average pay for each quarter has **increased for all** male and female colleagues
- We have a gender pay gap in favour of females in the **mid-higher quartile**
- We have seen a **decrease in female representation in all quartiles but the lowest quartile**, which is a contributing factor to our increased pay gap.



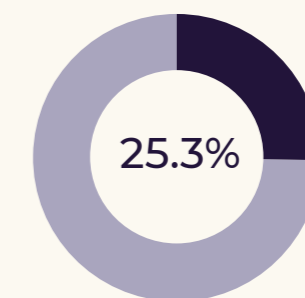
Employee Bonus Gap

Statistic	2022	2023	Movement
Mean Gender Bonus Gap	42.9%	23.5%	-19.4%
Median Gender Bonus Gap	0%	25.3%	+25.3%

- Our **mean** bonus gap has **decreased** to **23.5%** from 42.9%
- Our **median** bonus gap has **increased** to **25.3%** from 0%
- The mean bonus gap has reduced due to most colleagues receiving a **non-consolidated payment** (bonus) in-year
- This year we have multiple non-consolidated pay awards across the various areas of the business within LTE. These have been varying in amounts across the board with some being a percentage of salary and some as set amounts. This has resulted in a gap in the median compared to last year
- We have seen a reduction in the mean bonus gap as most colleagues have received a 'bonus' in year. The result of the lowest paid being awarded has greatly reduced the mean bonus gap (as we know the majority of the lowest paid are women)
- In terms of our bonus gap, **we do not typically have a culture of bonuses across our Group**. Our non-consolidated pay awards we negotiated with Trade Unions to help our colleagues with the cost-of-living increase seen through the last few years
- The monthly recognition scheme - Spotlight awards - only covered the first quarter of the reporting year and was a recognition scheme that is no longer in place. After this, there were no regular bonuses paid for recognition. The majority of these awards in 2022 were £250 payment and were awarded to 80 colleagues. This meant that in the last report the median bonus for both male and female colleagues was £250 and a gap of 0%.



Mean gender bonus gap



Median gender bonus gap

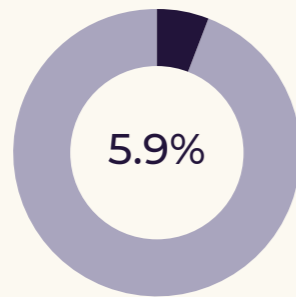
Proportion of men and women who were paid a bonus in the 12-month period ending 31 March 2023	2022	2023
Male	4%	87.5%
Female	2.9%	82.7%

OUR 2023 VOLUNTARY NUMBERS

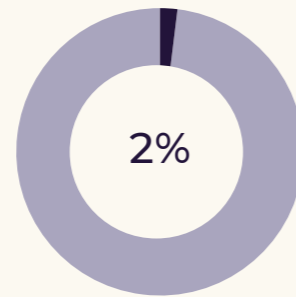
Ethnicity Pay Gap

Statistic	2022	2023	Movement
Ethnicity Mean Pay Gap	7.7%	5.9%	-1.8%
Ethnicity Median Pay Gap	-0.8%	2%	+2.8%

- This is our third year of reporting on ethnicity pay gap data.
- **94%** of our full pay relevant staff have **recorded their ethnicity** and based on this data extract our pay gap **mean is 5.9%** and our **median is 2.0%**.
- The mean Ethnicity Pay Gap has **decreased from last year** due to a more even distribution among the pay quartiles of colleagues from other ethnic groups, including a higher representation in all quartiles.



Ethnicity Mean Pay Gap



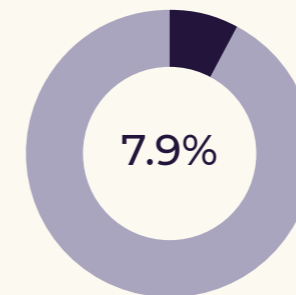
Ethnicity Median Pay Gap

2023 Colleague ethnicity survey response rate: 94%

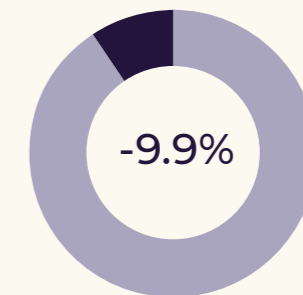
Ethnicity Bonus Gap

Statistic	2022	2023	Movement
Ethnicity Mean Bonus Gap	90.1%	7.9%	-82.2%
Ethnicity Median Bonus Gap	0%	-9.9%	-9.9%

- Our **mean** bonus gap has **decreased** from 90.1% to 7.9%.
- Our **median** bonus gap has **reduced** from 0% to -9.9%
- The mean and median bonus gap has reduced significantly as most colleagues received a non-consolidated payment (bonus) in 2023, compared with last year when few colleagues from other ethnic groups received any bonus. This is to be expected when the percentage of colleagues receiving a bonus has greatly increased due to the non-consolidated pay awards given to our colleagues.



Ethnicity Mean Bonus Gap





Ethnicity Median Bonus Gap

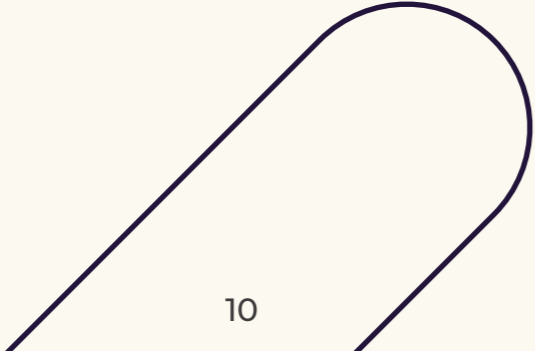
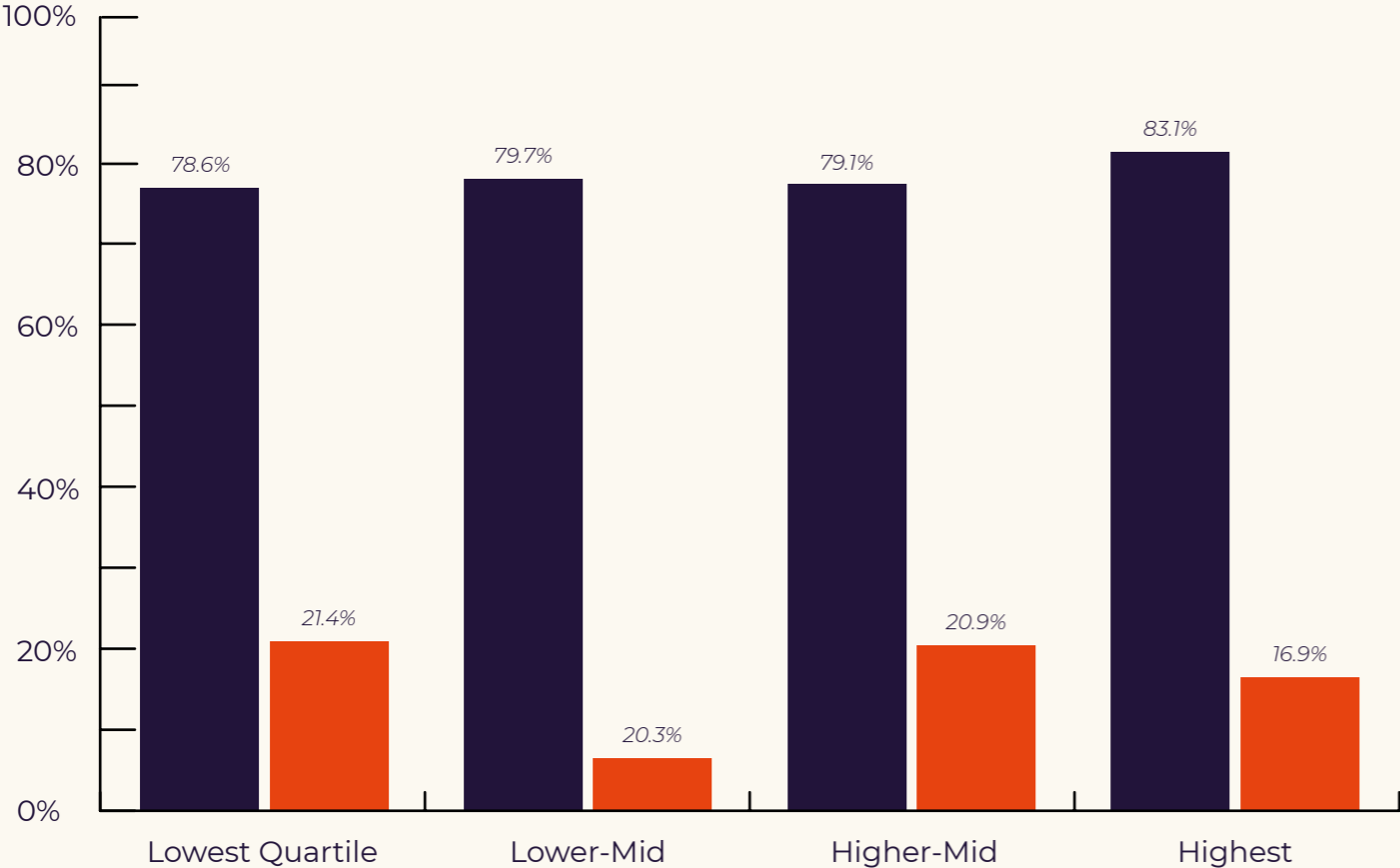
Percentage of colleagues receiving bonus within those that have declared their ethnicity

	2022	2023
Ethnicity Mean Bonus Gap	3.6%	84.5%
Ethnicity Median Bonus Gap	2.2%	85%

Ethnicity Hourly Pay Quartiles

- The percentage of men and women in each quartile varies, compared to our 63.5% female representation
- In the lower quartile our female representation is higher than the overall make-up of the organisation due to a higher female representation in roles such as admin, cleaners, catering staff
- Our average pay for each quarter has increased for all male and female colleagues
- We have a gender pay gap in favour of females in the mid-higher quartile
- We have seen a decrease in female representation in all quartiles but the lowest quartile, which is a contributing factor to our increased pay gap.

Key  British white colleague population
 Other ethnicity colleague population



Our Colleague Demographic at a Glance

- Our female colleagues represent 63.5% of our overall workforce.
- 71% of our Executive Team are female
- 65% of our new recruits in the reporting period were female
- 70% of internal promotions were female

LTE Group comprises a number of business units, subsidiaries, wholly owned entities and strategic partnerships. The data in this report relates only to The Manchester College, UCEN Manchester, Novus and Group Functions.

- The legal requirement and therefore the figures represented in this document mean that the gender **pay gap figures** are calculated on the snapshot date of 31 March 2023. This means that the figures represent the pay activity within that one month only. All payments including bonus payments are used to calculate a colleague's hourly rate
- The **bonus gap figures**, however, are calculated using a 12 month period – April 22 – March 23
- The main contributing factor for pay gaps within our organisation continues to be the demographic of our colleague population. We have a higher number of female colleagues in lower paid roles including **catering assistants, cleaners and administrators** and we have seen the proportion of women to men in higher paid roles decreasing from last year due to higher-paid female colleagues leaving the organisation.
- As colleagues in The Manchester College, UCEN Manchester and Group Functions received a non-consolidated pay award to help with the cost of living and as part of the pay award agreement with the Unions, this means that the hourly pay in March 2023 was higher than usual for these parts of the business. The 2.7% pay award increased the salaries of higher earners by a greater amount than those earning lower salaries. As there is a higher proportion of men in the top half of earners, as well as there being very few males on the Real Living Wage, this results in a greater increase in the mean hourly pay gap compared with last year.
- Novus received a non-consolidated pay award (bonus) during the bonus gap calculation period (April 22 – March 23), however it was not relevant to the pay gap snapshot date (31st March 2023). This means the salaries for Novus colleagues is reported lower than their counterparts as at 31 March 2023.
- Novus accounts for just under half of the colleagues included in the Pay Gap calculations.
- 53% of total female colleagues in LTE Group are Novus colleagues compared to 43% of total male colleagues in LTE Group who are Novus colleagues. This means that the lack of non-consolidated pay awards for Novus colleagues in March 2023 has disproportionately affected the reported rate of pay for female colleagues.



Disability Pay Gap

	2023
Disability Mean Pay Gap	2.7%
Disability Median Pay Gap	-3.2%

As this is the first year we are reporting disability pay gaps, we do not have a comparator to last year, but the results show that the highest pay quartile has the highest proportion of disclosed disabled colleagues.

- Disability mean pay gap is 2.7%
- Disability median pay gap is -3.2%
- The median disability pay gap is in favour of disabled colleagues as we have very few colleagues in the mid-lower pay quartile that have disclosed as having a disability. The “middle value” is in the mid-higher quartile compared to the non-disabled “middle value” in the mid-lower quartile.

Disability Bonus Gap

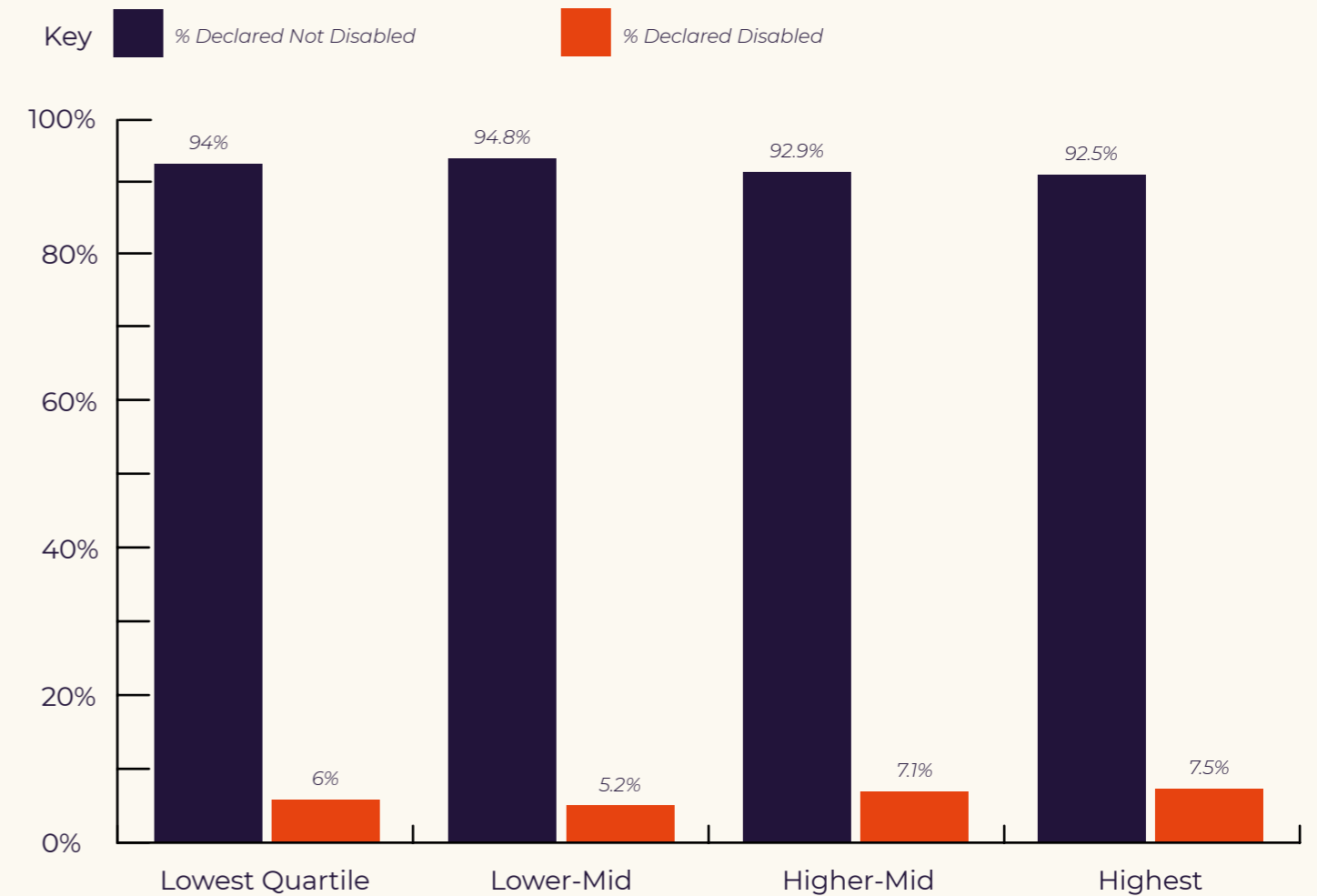
- Disability mean bonus gap is 14.3%
- Disability median bonus gap is -6.3%
- The median bonus gap is a result of those that did disclose as ‘disabled’ receiving a non-consolidated payment based on salaries sitting in the upper and upper-mid quartiles. This has moved the “middle” bonus into the upper mid quartile.
- **89.5% of our Colleagues declared their disability status. Of those to have declared:**
 - No Disability - 92.6% of which 85.2% received a bonus in the 12-month period ending 31 March 2022
 - Considered disabled - 7.4% of which 80.4% received a bonus in the 12-month period ending 31 March 2022

Percentage of colleagues receiving bonus within those that have declared their disability status

	2023
Disability Mean Bonus Gap	14.3%
Disability Median Bonus Gap	-6.3%

Disability Representation Pay Quartiles

- Disability mean bonus gap is 14.3%
- Disability median bonus gap is -6.3%
- The median bonus gap is a result of those that did disclose as ‘disabled’ receiving a non-consolidated payment based on salaries sitting in the upper and upper-mid quartiles. This has moved the “middle” bonus into the upper mid quartile.



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 - No Disability - 92.6% of which 85.2% received a bonus in the 12-month period ending 31 March 2022
 - Considered disabled - 7.4% of which 80.4% received a bonus in the 12-month period ending 31 March 2022

	Outcome of Colleagues to have answered disability survey	Percentage of those Colleagues receiving Bonus in the 12 month period ending 31st March 2023
Not Disabled	93.6%	85.2%
Disabled	6.4%	80.4%



Progress Since Our Last Report

Diversity & Inclusion:

- **We have embedded local EDI committees in each business unit** that meet regularly to discuss initiatives and promote inclusive practices and projects, working in collaboration to drive progress. Our employees' input and perspectives are a vital element of our EDI strategy. We therefore hosted a range of focus groups to involve colleagues in what we are doing, and to invite their opinions and experiences into the process.
- **We launched a number of high-profile** campaigns in support of national awareness days or specific local activities such as the Manchester Pride Festival, International Women's Day and International Men's Day. Hosted via our intranet, our campaigns reach all business units to increase awareness, prompt conversation and inspire local action. We share inspirational stories through our internal and external communication channels to celebrate success, challenge stereotypes and demonstrate how diversity can add value to our Group
- **We actively promoted activities** undertaken by individual business units across our social media channels.

Wellbeing:

- **We launched a new internal bespoke wellbeing portal called 'Thrive - wellness works'**, introducing six foundational pillars of wellbeing supported by extensive external resources and research, to encourage colleagues to be proactive around their own wellbeing needs and take accountability to focus in on the most appropriate wellbeing action for them
- **We provided targeted and focused internal and external resources** to enable colleagues to take quick action relating to their individual wellbeing needs

Recruitment:

- **We have embedded and grown our direct sourcing model** to optimise the support we offer to our business units, not only sourcing but also offering coaching and advice to improve recruitment practices and encourage inclusion and diversity in our attraction and recruitment approach

Our Ongoing Focus

During 2023, we laid the foundations to enable us to develop our commitment to create an inclusive, respectful and healthy environment for all colleagues. We aim to build on those foundations during 2024 by:

- **Introducing learning campaigns** to develop and grow equality, diversity and inclusion skills, behaviours and practices, helping to develop a culture that challenges unconscious bias and gender stereotypes
- **Launching a new learning portal** to support all colleagues in the creation of **personal and professional development goals to support career progression and promote career conversations**
- **The introduction of a new recruitment portal**, a one-stop shop for hiring managers providing training, information and support to continue the growth of inclusive recruitment practices and upskill managers to offer a fair recruitment experience for all candidates
- **Developing our wellbeing portal Thrive; Wellness Works** to optimise the support provided for our people to promote and support healthy work/life balance
- **Embedding our Lifecycle surveys** to better understand our colleague journey from onboarding to offboarding and identify and take action on potential equality and inclusion issues

Appendix

UNDERSTANDING THE GAPS

What is a pay gap?

A pay gap shows the difference in average earnings between women and men or white British and colleagues from other ethnic groups in terms of the pay they receive.

What is equal pay?

A Pay Gap is not the same as equal pay. It has been unlawful to pay women and men or white British and colleagues from other ethnic groups differently for the same work after the Equal Pay Act 1970 was introduced, and more recently the Equality Act 2010.

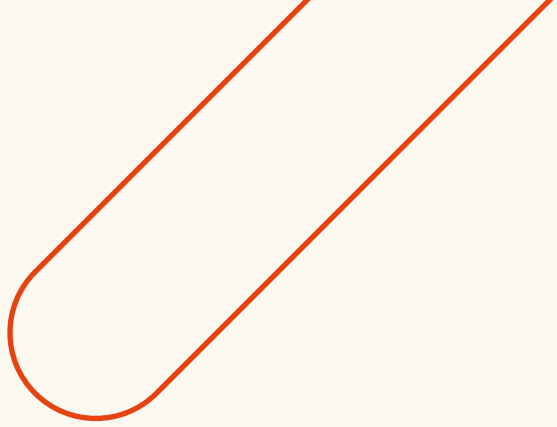
What is a mean pay gap?

The mean pay gap is the difference in the average hourly pay for women compared to men within an organisation.

What is a median pay gap

For example, if all the men and women from one organisation lined up in two separate lines in order of salary, the median Gender Pay Gap is the difference in salary between the woman in the middle of her line and the man in the middle of his line.






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