

Gender Pay Gap Report

2022-2023

Introduction

The Equality Act 2010 (Gender Pay Gap Information) 2017 requires employers with 250 or more employees to publish details of its Gender Pay Gap, based on a reference date of 31st March.

The Gender Pay Gap shows the difference between the pay averages (mean or median) of men and women in the organisation.

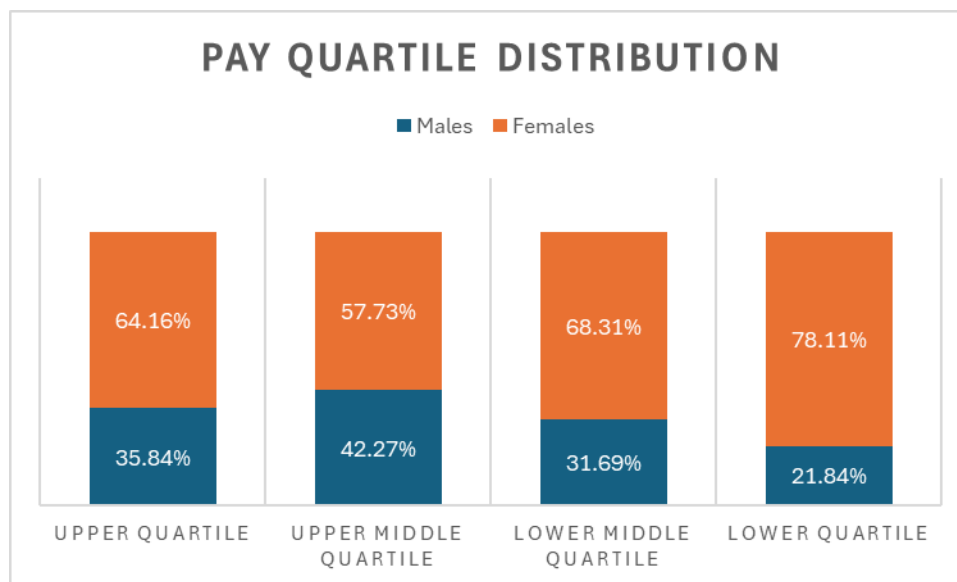
In addition to the information we are required to provide, we are also providing additional information to explain what the figures mean, why we have a gender pay gap and what actions we are taking to close the gap.

Activate Learning Group Data.

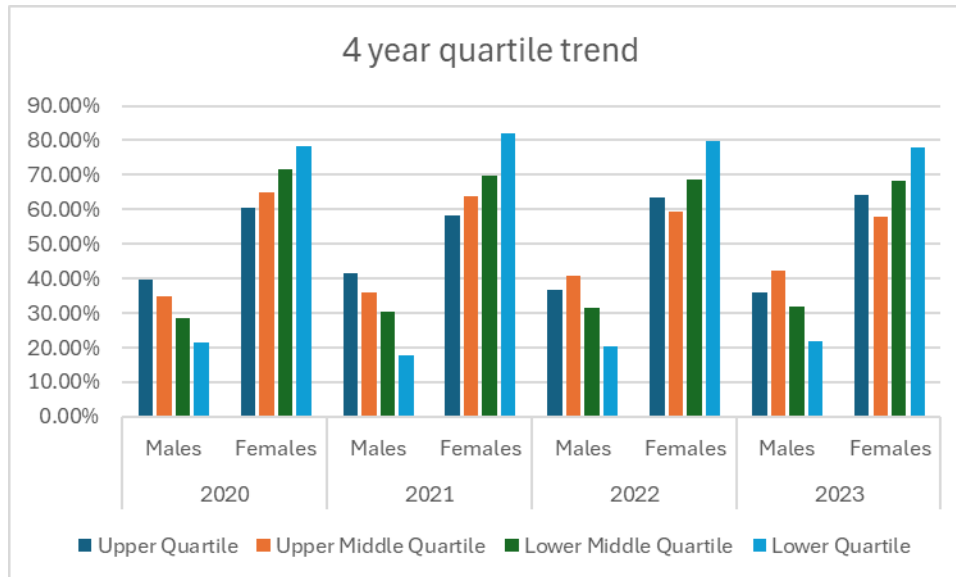
The data contained within this report represents the gender pay snapshot as at 31 March 2023 in respect of employees in receipt of pay during the month of March 2023. For the purposes of the 2023 Gender Pay Gap report, Activate Learning had **1,865** relevant employees. Of those employees, **614** were male and **1,251** were female.

Pay Quartiles – the distribution of male and female staff in the organisation

The distribution of male and female employees for 2023, based upon the actual hourly rate is as below:



In 2023, we have seen a small increase in the number of women in the upper quartile compared to the previous year. More than half (55%) of our female employees are in the lower quartiles. This has been the consistent trend over the past 4 years.



Mean Pay

The mean gender pay gap is the difference between the average (mean) gross hourly pay of male and female members of staff taken as a single group. The table below shows the Group mean pay gap for 2023 and compared to the results for the previous 3 years.

	2020	2021	2022	2023
Mean Gender Pay Gap	12.1%	13.7%	10.3%	11.9%

This means that for every £1 earned by a male, a female earns 88.1p compared to 89.7p in 2022.

Median Pay

The median gender pay gap is the difference between the midpoint (median) gross hourly pay of male and female members of staff taken as a single group. The Group median pay percentage difference is reported below for 2023 and compared to the previous 3 years.

	2020	2021	2022	2023
Median Gender Pay Gap	11.6%	15.8%	16.2%	14%

This means that for every £1 earned by a male, a female earns 86p compared to 83.8p in 2022.

Bonus Payments

A total of 66 employees received additional payments, which have been classified as bonus payments, in the year ending March 2023. Bonusses are defined as any payments related to profit sharing, productivity, performance, incentive, commission and long service awards with a monetary value. The mean and median bonus pay gap for 2023 is reported below and compared to the previous 4 years.

	2020	2021	2022	2023
Males receiving a Bonus	3.40%	0.97%	3.48%	2.93%
Females receiving a Bonus	1.50%	1.08%	2.16%	3.83%
Mean Bonus Gender Pay Gap	27.60%	6.38%	33.52%	53.80%
Median Bonus Gender Pay Gap	50%	89.51%	75.00%	37%

Of the employees who were paid a bonus in 2023, women received, on average, a lower bonus payment than men with a mean bonus gender pay gap of 53.80%. This means that for every £1 bonus payment paid to a male, a female received 46.2p compared 66.5p in 2022.

Commentary on the Gender Pay Gap

The composition of the workforce for 2023 is 67.1% female and 32.9% male. This ratio of female to male staff has remained relatively constant over the past 3 years.

Mean and Median Gender Pay Gaps

Gender pay gaps exist across all industries and sectors and the reasons for them are complex.

Since our last report, our Mean pay gap has increased by 1.6% to **11.9%** and the median pay gap has decreased by 2.2% to **14%**.

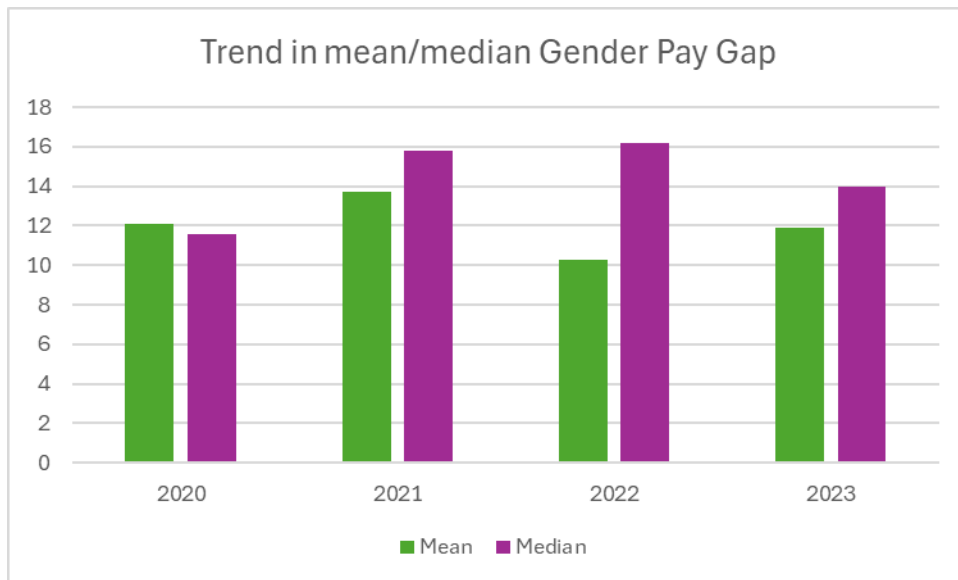
This has been driven by the following factors:

- The mean pay gap is higher within the upper quartile than any other quartile and since 2022 we have seen a 27% increase in the number of male employees earning at the higher levels of the upper quartile.
- The balance of female staff compared to male staff across the four pay bands. Whilst we have a greater proportion of female staff in the whole organisation, 73% of employees in the lower quartiles are female.
- For teaching staff, the mean Gender Pay Gap is 2.4% in favour of female employees.

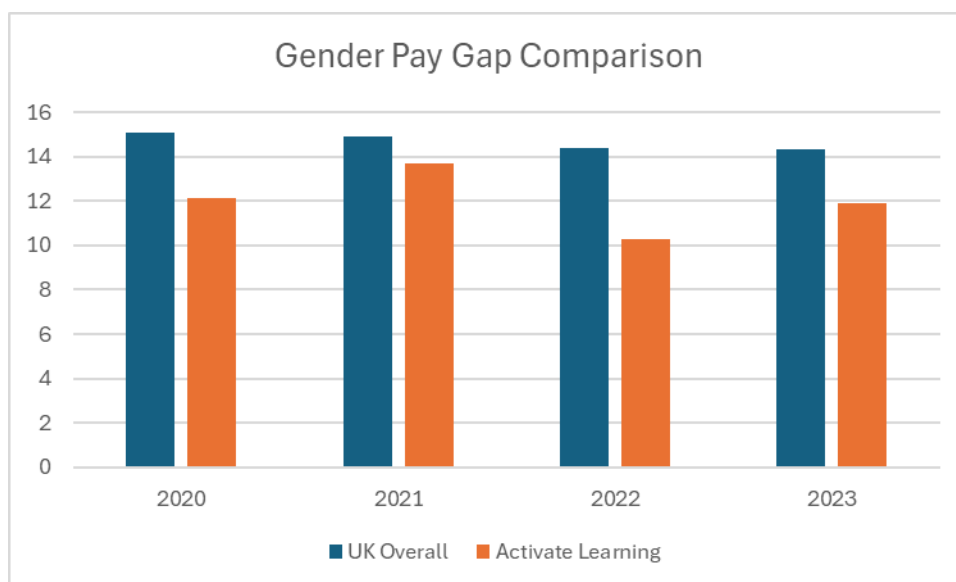
The improvement in the median pay gap has been impacted by:

- An increase of 1.85% in the number of males employed in the lower quartiles compared to 2022.
- A differentiated cost of living increase ranging from 8% for the lower earning employees to 2.5% for the higher earning employees.

The 4-year trend for Gender Pay Gap demonstrates that whilst showing an increase against 2022, the mean gender pay gap remains lower than that recorded in 2020 and 2021 and the median gender pay gap has been improving since 2021.



When compared to the Office for National Statistics (ONS) and within the context of the education sector having the third highest pay gap, it indicates that the measures that have been put in place by Activate Learning are having a positive impact on women's pay.



This does not mean that the Group underpays its female staff. Activate Learning supports fair reward and recognition of all staff irrespective of gender. Female and Male staff receive equal pay for equal work. Roles of equal value are paid on the same grade with incremental scale points within the Group's grading structure. All eligible staff received a salary increment within the reporting period in line with the individual pay scales for their job roles in addition to a cost-of-living salary increase, which was weighted higher for the lower grades in 2022.

Mean and Median Bonus Gender Pay Gaps

A small number of staff at Activate Learning received payments which were classified as bonus payment during the 12 months preceding the 31 March 2023, 2.98% of men and 3.83% of women.

These payments relate to productivity, performance, incentive, commission and long service awards with a monetary value.

The mean gender bonus gap (the average bonus payment) rose by 20.28% to 53.8% and the median gender bonus pay gap (the difference between the midpoint) reduced by 38% to 37%.

Why is there a gender pay gap?

This relates to the different jobs that men and women currently do at Activate Learning. In 2023, 73.2% of employees in the two lower quartiles are female compared to 26.8% males.

What we did in 2022 to address the gender pay gap?

Leadership and Management Development

Our Leadership and Management Development pathways continued with 2 Management Development cohorts and 2 Aspiring Managers cohorts. 71% of the participants on these 4 cohorts were female.

In addition to the formal development programmes, the People Manager Essential programme was introduced to develop the awareness, knowledge and skill of people leaders around key people themes. The sessions included topics such as:

- Recruiting and selecting diverse talent
- Developing an inclusive team
- Leading wellbeing for you and your team
- Supporting employees through menopause

Pay Awards

Recognising the economic and financial challenges that our employees were facing with rising costs; we implemented a differentiated cost of living pay award which ensured that those on the lowest pay received the highest percentage increase. The pay award was effective from 1 November 2022.

Ways of working

We continued to learn lessons from the ways of working adopted during the pandemic, and developed approaches to ensure, where possible, hybrid and remote opportunities are available. Due to the complex nature of our Group, it is not possible to have a 'one size fits all' approach. Our more student/client roles require increased on campus presence and a significant number of female employees occupy these roles.

Recruitment and attraction strategies

Our recruitment strategies have ensured a strong focus on equal opportunity and gender neutrality. We have promoted our flexible working practices as a benefit through our advertising and recruitment campaigns and our work with us internet site. This has led to a 13% increase in males selecting flexible and part year contracts.

Belonging

The establishment of employee networks have increased awareness on a variety of topics and the expertise of these networks is growing in recognition. Menopause cafes and delivery of focussed sessions around menopause for leaders and employees has helped give staff more confidence to talk to their managers about the effects of the menopause on their work and demonstrates the support and commitment of the organisation to female employees through their menopause transition.

What will we do to further address this gap?

Recruitment Practices

- Monitor shortlisting and hiring data to ensure that there is no gender bias in any recruitment and selection or career progression process.
- Continue to ensure diverse recruitment panels.
- Promote the flexible, hybrid and family friendly benefits on offer to all candidates.
- Upskill hiring managers in recruitment and selection practice and raise awareness of conscious inclusive thinking and behaviours.
- Build the 'transform your Career' L&D programme to support employees in developing their careers and progression within Activate Learning.
- Update and refresh our 'Work with Us' to better capture the opportunities, culture and benefits available at Activate Learning through the lived experiences of current employees.

Employee progression and Development

- Advertise all vacant roles across our internal network, enhancing visibility of career progression opportunities and promoting our 'Transform your Career' value proposition through the Talent Acquisition weekly newsletter and viva Engage.

- Continue to promote our Leadership and management development pathways, including the Aspiring Managers Programme, to increase leadership and management capability amongst female employees and aid internal progression opportunities.
- Keep our L&D programme offer relevant and include specific sessions aimed at enhancing the skills and confidence of female employees.
- Promote internal coaching and internal and external mentoring initiatives for female employees.

Diversity, Inclusion and Wellbeing

- Continue to invest in equality and diversity training and development through our L&D programme and knowledge and skills hub.
- Celebrate the achievements of female employees and showcase their stories through the Talent Acquisition Bulletin, Viva Engage and International Women's Day.
- Continue to grow our employee resource networks, including our menopause cafes, to raise awareness and provide a voice for female employees.
- Provide specific support to women returning to work after maternity leave and career breaks.
- Share wellbeing insights and resources on a regular basis through our Wellbeing Sharepoint site, Viva Engage and our Wellbeing Newsletter.

Working Practices

- Ongoing review of our family friendly and flexible working policies and procedures. .
- Implement a hybrid working policy which recognizes the possibility of occasional remote working even if only a small number of tasks in an individual's role can be performed in this way and greater flexibility outside of term times.