

FORTH VALLEY COLLEGE

EQUAL PAY AUDIT 2016

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30 NOVEMBER 2016

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1. Introduction

This report presents an Equal Pay Audit assessment as at 30 November 2016 for Forth Valley College. The report is an independent assessment of pay equity. An initial audit was completed in 2009, further updated in 2012 and 2014 and this document presents an updated analysis using the previous reports as a starting point.

NGA Human Resources are independent reward consultants utilising tailored software solutions to provide reward consulting services.

Data and management information relating to this assessment has been processed and produced by the 'Equal Pay Reviewer' software tool.

The Audit exercise of 2014 contained the following key recommendations:

i. Grading Structure

The recommendations previously noted in the audit of 2012 remain in effect.

It is recommended that consideration be given to a review of Grade 5 and 6 to reduce both the scale of overlap and the number of increment steps applied. This can be done in stages over an extended period.

It is also recommended to remove additional overlapping points as follows:

Grade 3 – remove SCP 13

Grade 8 – remove SCP 32

The College is encouraged to regularly review the operation of the Senior Management grade structure following the removal of arrangements for PRP. The utilisation of external benchmark referencing to inform salary levels is appropriate in setting pay levels, however, care must be taken to ensure that the evidence used is robust and reviewed on a regular basis. An annual review of pay decisions taken from an equality perspective would be prudent action.

..iii. Data Availability

In this audit report, an analysis has been attempted by Religion and Sexual Orientation. However data limitations mean that any statistics are effectively meaningless due to the limited data available. This is not uncommon and is not a criticism of the College. However, until more comprehensive data is collected and available for these categories, no notable conclusions will be drawn on pay equality for these comparisons.

This report will examine whether the above recommendations have been actioned or resolved and in addition examine any additional areas of concern.

2. Equal Pay Audit

The Equal Pay Audit itself undertook the five step approach as recommended by the Equalities and Human Rights Commission (EHRC) thus:

- Step 1. Decide the scope of the review and identify the data required;
- Step 2. Select jobs of like work, work rated as equivalent or work of equal value;
- Step 3. Apply a standard set of reporting templates to help identify the pay gaps in the organisation;
- Step 4. Find out which aspects of your pay system are contributing to any pay gaps;
- Step 5. Obtain expert advice and guidance on the steps needed to implement equal pay.

Step 1: Decide the scope of the review and identify the data required.

This audit will examine the equality of pay by gender, disability, ethnicity, religion and sexual orientation. The audit will incorporate an analysis of total pay including base pay any additional pay elements currently awarded.

The data for the analysis was provided on 17 November 2016. It contained details of all current employees including their salary position at November 2016 plus specific individual pay element allowances on an annual basis for a 12 month period. This data was imported into the software tools for analysis. The data includes all substantive contractual employees. Casual employees are excluded.

Step 2: Select jobs of like work, work rated as equivalent or work of equal value;

A critical step in the assessment of equal pay is the measure used for comparison of the various categories of employees. The clearest and most appropriate measure is the 'work rated as equivalent' one whereby employees have been evaluated under an appropriate scheme of job evaluation.

Forth Valley College have applied the NorthgateArinso Evaluate job evaluation scheme, developed for application in a Further Education environment.

This was introduced via a process of evidence based job profiles to support the evaluation of all roles across the College. The Evaluate scheme itself is widely applied both within the Further Education sector and in other sectors of the economy and was designed with the principles of equal pay in mind.

The application of the Evaluate scheme is appropriate to declare the 'work rated as equivalent' measure of equal pay as appropriate for the purposes of gender pay comparison. Thus the finalised job evaluation 'score' will drive the assessment of equal pay.

Forth Valley College developed and introduced a new pay and grade structure based on the Evaluate outcomes and these bandings will be used as the main comparison group known as 'Equal Work Groups'. These 'work groups' provide for a clear measure whereby a comparator can reference another employee within a defined work group for the purposes of pay equality under the 'work rated as equivalent' definition under the Equality Act 2010. It will be by this mechanism that the audit focuses on.

Under the 'work rated as equivalent' equal pay work sets we note the following will apply:

Equal Pay Work Group	Grade Width
1	27
2	44
3	79
4	59
5	29
6	34
7	35
8	29
9	63
10	64
11	64
12	64
13	64
14	64
15	64
16	64
17	64
18	64
19	64

The above closely reflects the current grade structure in terms of number of grades and job evaluation grade widths.

Step 3&4: Apply a standard set of reporting templates to help identify the pay gaps in the organisation and find out which aspects are contributing to any gaps;

This section is the bulk of our analysis and will be broken down into component parts thus:

- i. Equality Review of the grading structure
- ii. Gender Pay Analysis
- iii. Disability Pay Analysis
- iv. Ethnicity Pay Analysis
- v. Religion Pay Analysis
- vi. Sexual Orientation Analysis

i. Equality Review of the Forth Valley College pay Structure

The pay structure

This section will take a top level review of the pay and grading structures applied by Forth Valley College.

The pay structures can be summarised as follows:

i. Lecturing Staff

Grade		SCP	SCP at 1 April 2016
	9	6	£29,624
		7	£30,750
		8	£31,859
		9	£33,200
		10	£35,021
		11	£36,227
		12	£37,805
	10	13	£39,481
		14	£41,147
11		15	£42,655
		16	£44,146
		17	£45,634

The above grade structure contains three substantive grades, namely Lecturer, Curriculum and Quality Leader/Advisors and Curriculum Managers.

Pay structure based on Forth Valley College Pay Spine

The model analysed is based on the Forth Valley pay spine. The pay structure contains a number of key elements.

- i. Progression through the grade will normally be a one annual step incremental progression but initial placement is set by College Management. In addition, however, progress can be amended by College Management.
- ii. One grade contains an 'abutment point' i.e. the same increment point on the pay spine appears in the higher grade. This is scale point 15, used as the maximum point of the Curriculum Leader/Advisor grade and the minimum point on the Curriculum Managers grade.

From a pure design point of view, the assurance of Equal Pay directs us to a number of key principles. Failing to achieve these principles is not a definitive statement of pay inequity; however, the failure to achieve these principles may give rise to challenge in the future.

- a. **Equal Pay legislation encourages us to avoid the adoption of tenure based annual increments beyond five steps.**

No grade includes more than five increments and hence can be supported from a pay equity point of view.

- b. **The adoption of overlapping points between grades is potentially discriminatory.**

The issue of utilising overlapping points is not always apparent when undertaking an Equal Pay Audit. Where we do have an overlap, there is a potential for an employee to challenge their pay point if this is lower than an overlapping grade on the basis of equal value. In Forth Valley College's case, we do not have any overlap in the Academic grade structure and only the one grade 'abut' meaning the same scale point is applied at minimum and maximum points of adjoining grades. In general, this is acceptable.

It is noted that College Management have discretion over the initial placement and salary progression of all Academic staff and that external 'market forces' may influence salary placement. Whether this has any impact on gender, ethnicity, disability or age will be noted later in the report.

ii. Support Staff

SCP	SCP at 1 April 2016	Grade
4	£13,670	
5	£14,124	
6	£14,587	
7	£15,107	
8	£15,315	1
9	£15,815	
10	£16,550	
11	£16,924	2
12	£17,312	
13	£17,610	
14	£17,912	3
15	£18,298	
16	£18,727	
17	£19,069	
18	£19,556	4
19	£20,042	
20	£20,571	
21	£21,146	
22	£21,687	5
23	£22,310	
24	£22,762	
25	£23,215	6
26	£23,965	
27	£24,760	
28	£25,569	
29	£26,583	7
30	£27,456	
31	£28,329	
32	£29,189	
33	£30,042	8
34	£30,929	
35	£31,568	9
36	£32,390	
37	£33,344	

38	£34,340		
39	£35,464		
40	£36,389		
41	£37,344		
42	£38,311	10	
43	£39,257		
44	£40,237		
45	£41,161		
46	£42,152	11	
47	£43,122		
48	£44,189		
49	£45,223	12	
50	£46,240		
51	£47,307		
52	£48,450		
53	£49,557		
54	£50,716		

The Support Staff grade structure includes 12 grades of varying incremental width.

Pay structure based on Forth Valley College Pay Spine

The model analysed is based on the Forth Valley pay spine. The pay structure contains a number of key elements.

- i. Progression through the grade will normally be by one annual incremental step.
- ii. Two grades include overlapping points between grades.
- iii. An incremental 'gap' of three steps exists between Grade 9 and 10.

From a pure design point of view, the assurance of Equal Pay directs us to a number of key principles. Failing to achieve these principles is not a definitive statement of pay inequity; however, the failure to achieve these principles may give rise to challenge in the future.

- a. **Equal Pay legislation encourages us to avoid the adoption of tenure based annual increments beyond five steps.**

No grade includes more than five increment steps.

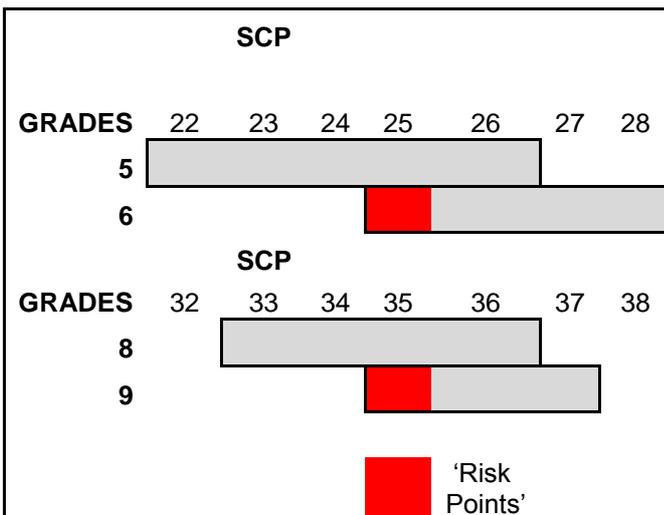
b. The adoption of overlapping points between grades is potentially discriminatory.

The issue of utilising overlapping points is not always apparent when undertaking an Equal Pay Audit. Where we do have an overlap, there is a potential for an employee to challenge their pay point if this is lower than an overlapping grade on the basis of equal value. In Forth Valley College’s case, we do have overlap in the Support Staff grade structure. We note this between grades 5 and 6 and between grades 8 and 9 where we have spinal column points applied in adjoining grades.

Overlapping Points:

The main concern relates to situations where someone has been evaluated in a higher grade but is paid less than someone in a lower grade. Normally we are only concerned where there is a gender issue within a grade.

To examine the issue the following is a highlighted summary of the areas of concern within the grade structure:



The highlighted 'red' areas are where we encounter risks from an employee in a higher grade being paid less than an employee in a lower grade. In summary this is:

- Grade 6, Spinal Point 25.
- Grade 9, Spinal Point 35.

It is important to note any inherent gender risks from this situation:

The following tables summarises the position.

Grade 6, Spinal Points 25.

This overlapping area gives rise to the following main gender based concerns:

S5 SCP/Job Title	Female	Male
26	9	16
Communication Support Worker	1	
Executive Administrator	2	
Print Unit Co-ordinator	1	
Senior Finance Assistant	1	
Support Analyst		3
Support Analyst (Operations)		1
Systems and Network Administrator	1	
Technician	3	12
S6 SCP/Job Title	26	9
25	2	
Assistive Technology Co-ordinator	1	
Business Development Partner	1	

A small number of female employees in Grade S6 at SCP 25 can reference male dominant role in Grade S5 on a higher pay point SCP26. Incremental progression will resolve this pay gap anomaly.

Grade 9, Spinal Point 35

This overlapping area gives rise to the following main gender based concerns:

Grade/SCP/Job Title	Female	Male
S8		
36	8	4
Communications Officer	1	
Information Systems Co-ordinator	1	
IS Project Support Officer	1	
IT Operations Coordinator		1
Learning Development Facilitator	3	1
Leisure Facilities Co-ordinator		1
Marketing & Digital Media Officer	1	
New Business Project Manager		1
Organisation Learning Coordinator	1	
S9		
35	2	
Human Resources Business Manager	1	
Learning Services Co-ordinator	1	

The above table confirms we have two female occupied roles in Grade 9, SCP 35 who could reference a male occupied roles in Grade 8 paid at one spinal column point higher at SCP36. Incremental progression will resolve this pay gap anomaly.

The above analysis confirms that the current application of overlapping points provides for minor potential gender challenge in two areas. However in the majority of cases the risk is small and not clearly related to gender. The College has undertaken significant progress in removing overlapping pay points since our previous analysis in 2014. This is to be commended with the final remaining overlapping risks minor in nature.

iii. Senior Management

The Senior Management grades effectively commence at Grade 13 and above thus:

Grade	SMT Salary Scales effective from 1st August 2016						
	1	2	3	4	5	6	
19	£103,519	£109,270	£115,021	£120,772	£126,523	£132,274	
18	£84,697	£89,403	£94,108	£98,813	£103,519	£108,224	
17	£74,601	£78,746	£82,890	£87,035	£91,179	£95,324	
16	£67,821	£71,589	£75,357	£79,125	£82,893	£86,661	Grade 16 = £95445

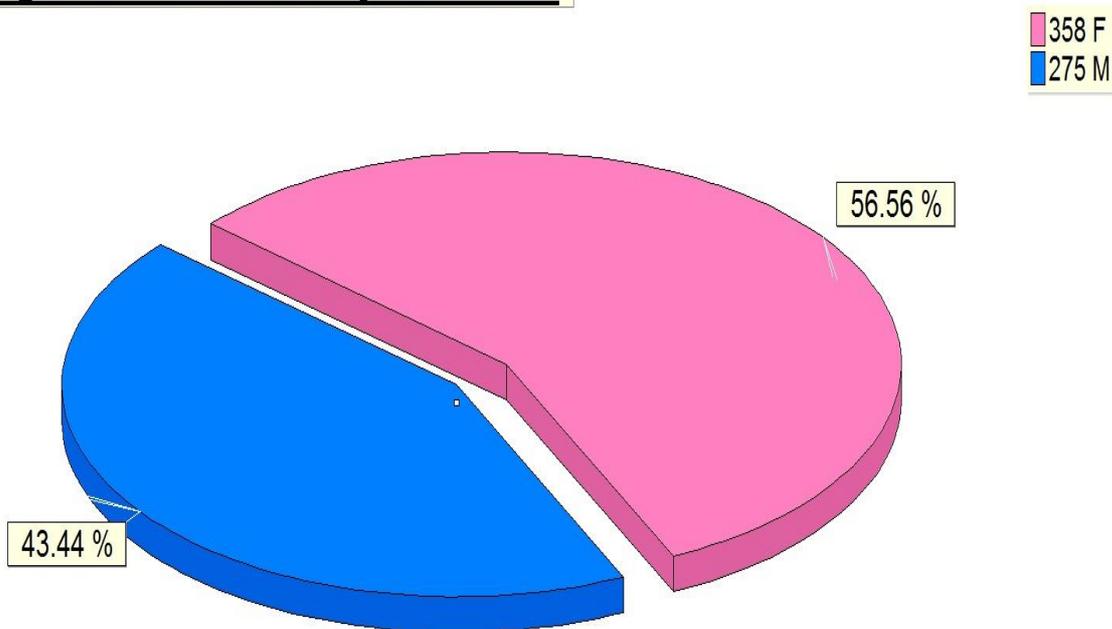
Grade				
	1	2	3	4
14	£50,635	£53,614	£56,592	£59,571
13	£48,525	£51,379	£54,234	£57,088

The Senior Management team structure represents a flexible matrix of indicative pay points. Each employee is placed onto an appropriate salary on the basis of review as and when required overseen by the Principal. No automatic progression applies and no guarantee of movement through each grade applies. For any changes to take place, The Principal makes a recommendation on SMT salaries which is tabled to the Remuneration Committee of the Board of Management, if approved this is finally approved or not by the main Board of Management. Whilst placement on each point is not based on a formal performance related basis, whether the salary profile presents any gender or other protected characteristic issue will be reported below.

ii. Gender Pay Analysis.

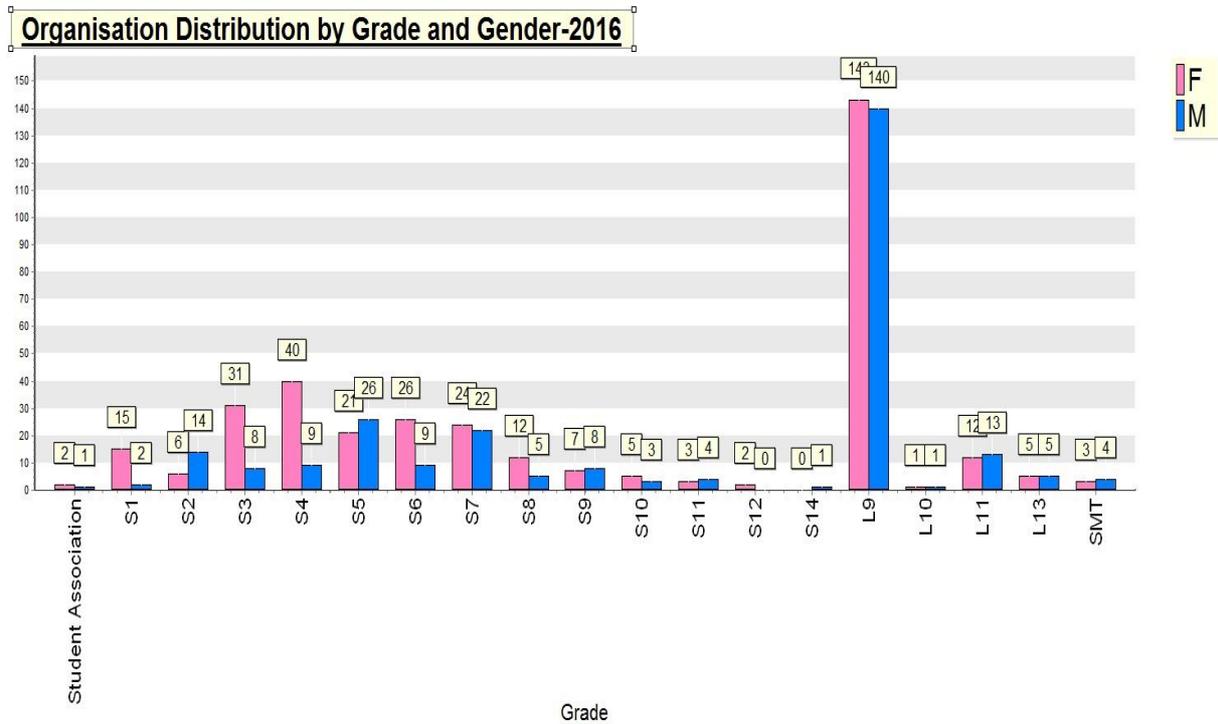
The greatest risk from an Equal Pay challenge remains from a potential gender pay gap. Firstly an overall examination of the gender breakdown of the population sets the scene.

Organisation Distribution by Gender-2016



Within the overall staff population of 633 employees, 358 are female (57%) against 275 male staff (43%).

It is also important to identify the gender split by grade.



The above table clearly demonstrates the dominance on the Lecturer category, in particular those employed in Grade L9. This grade is gender balanced in terms of numbers of males and females but it is of significance that the gender pay profile does not present any pay gaps within this large group. The ‘S’ support staff grades have a range of both female and male dominant grades.

If we examine the profile of gender by job title we can examine roles for which any significant equal pay challenge may be raised. For this, only roles with a gender dominance of greater than 70% and with more than 3 occupants are noted.

Job Title	Female	% F	Male	%M	Total
Student Records Business Partner	7	100.00%		0.00%	7
Department Administrator	9	90.00%	1	10.00%	10
Information Assistant	7	87.50%	1	12.50%	8
Learner Development Worker	11	84.62%	2	15.38%	13
Finance Assistant	5	83.33%	1	16.67%	6
Learning Development Facilitator	4	80.00%	1	20.00%	5
Administration Assistant	4	80.00%	1	20.00%	5
Business Development Partner	6	75.00%	2	25.00%	8
Learning Resource Assistant	7	70.00%	3	30.00%	10
Technician	9	30.00%	21	70.00%	30
Support Analyst	1	20.00%	4	80.00%	5
Facilities Assistant		0.00%	11	100.00%	11

The above analysis identifies both female and male dominant roles within the staffing profile. The roles that have inherent gender dominance are highlighted. From a risk assessment point of view, the highest risk will come from the large gender biased occupational groups in comparing themselves with opposite gender groups.

From the above table, the occupational range, amongst the female dominated roles, are dominated by those of Learner Development Worker and Clerical & Administration staff. The male dominated roles are to be found in Technical and Facilities roles.

The Pay Gap

In the assessment of equal pay risk, the Equalities and Human Rights Commission (EHRC) advise that any gender pay gap within a defined 'equal pay work group' of greater than 5% is of concern and action be taken to address this gap. A gap of between 3-5% is cautionary and the reasons for this be investigated. Any pay gap is a concern, but we shall focus on any significant or cautionary pay gap.

The Equality Act 2010 (Specific Duties) (Scotland) Regulations states that a 'listed authority' must publish pay gap information. The pay gap information is the percentage difference between men's average hourly pay (excluding overtime) and women's average hourly pay (excluding overtime). This is produced as one set of comparative figures for the whole workforce. All staff, including part-time and temporary employees are included.

i. Male v Female pay

The first comparison is to identify any pay gaps in favour of male employees.

Equal Work Group	Male		Female			
	Count	Avg Total Hourly Rate	Count	Avg Total Hourly Rate	Difference (£)	Pay Gap (%)
1	2	8.53	16	8.76	-0.23	-2.71
2	14	10.99	6	9.76	1.23	11.22
3	7	10.39	25	10.41	-0.02	-0.2
4	10	11.61	44	11.34	0.27	2.31
5	27	12.83	22	12.66	0.17	1.31
6	8	13.57	25	13.66	-0.09	-0.66
7	23	15.77	24	15.44	0.33	2.12
8	5	17.66	12	17.84	-0.18	-1.05
9	146	19.29	150	19.31	-0.02	-0.12
10	5	21.76	6	21.91	-0.16	-0.71
11	17	24.95	15	24.68	0.27	1.08
12	0		2	26.25		
13	5	30.82	5	30.2	0.62	2
14	0		1	30.55		
16	2	47.83	3	42.35	5.48	11.46
18	1	54.15	0			
19	1	66.18	0			
	274	18.3	355	16.6	1.71	9.34

We note an overall pay gap in favour of male employees of 9.34% at full-time hourly rate equivalent salary.

The key to an equal pay audit assessment is whether any notable pay gaps within each equal pay work sets. From this perspective we note a significant pay gap in Groups 2 and 16. In order to examine the causes of these gaps we need to isolate each area of concern.

The following is a highlighted summary of the main findings which identify the significant or cautionary pay gaps against the proposed pay structure.

Equal Pay Work Group 2 -Pay Gap FTE **11.22%**

The above pay gap is not the result of any basic pay variance rather it is the result of the payment of Shift and Standby Allowance to the male Facilities Assistants. The male dominance of the role of Facilities Assistants creates this anomaly. The application of pay enhancements is discussed later in this report.

Equal Pay Work Group 16 -Pay Gap FTE 11.46%

This group of employees represents Associate Principals and can be summarised thus:

Job Title	Gender	Basic Pay
Associate Principal and Executive Director	M	95445
Associate Principal and Executive Director	F	86661
Associate Principal and Executive Director	M	82893
Associate Principal and Executive Director	F	82893
Associate Principal and Executive Director	F	71590

This pay gap is partly the result of one female AP occupied role currently paid at the lower end of the range relative to her appointment; this is considerably lower than the remaining AP positions. A pay gap was reported for this group in the 2014 audit and was stated as a pay gap of 11.19%. The significant pay gap remains however incremental progression will resolve this pay gap anomaly. Grade 16 contains the following pay range:

SMT Salary Scales effective from 1st August 2016							
Grade	1	2	3	4	5	6	
16	£67,821	£71,589	£75,357	£79,125	£82,893	£86,661	Grade 16 = £95445

The pay range is £67,821 up to a potential of £95,445 which represents a width of £27,624 or 40% from the minimum point. The application of an extended point in the grade exacerbates this affect. Excluding this, we have a range of £18,840 or 28%. But of more significance would be the fact that excluding the extension point would remove the reported pay gap entirely. The current placement of a male employee on the extension point is therefore also material to the figures presented. A strong case needs to exist as to the external salary market justification for this high pay point. The College need to be satisfied that this justification exists and can be evidenced.

In examining gender pay variances we do need to reverse the comparison to ensure we do not 'reverse' equality risks thus:

ii. Female v Male Pay

Equal Work Group	Female		Male			
	Count	Avg Total Hourly Rate	Count	Avg Total Hourly Rate	Difference (£)	Pay Gap (%)
1	16	8.76	2	8.53	0.23	2.64
2	6	9.76	14	10.99	-1.23	-12.64
3	25	10.41	7	10.39	0.02	0.2
4	44	11.34	10	11.61	-0.27	-2.36
5	22	12.66	27	12.83	-0.17	-1.33
6	25	13.66	8	13.57	0.09	0.66
7	24	15.44	23	15.77	-0.33	-2.16
8	12	17.84	5	17.66	0.18	1.04
9	150	19.31	146	19.29	0.02	0.12
10	6	21.91	5	21.76	0.16	0.71
11	15	24.68	17	24.95	-0.27	-1.09
12	2	26.25	0			
13	5	30.2	5	30.82	-0.62	-2.04
14	0		1	30.55		
16	3	42.35	2	47.83	-5.48	-12.95
18	0		1	54.15		
19	0		1	66.18		
	355	16.6	274	18.3	-1.71	-10.3

There are no pay gaps reported in favour of female employees.

Gender Pay Gap Analysis-Conclusion

The gender pay analysis provides us with the following summary recommendations:

Current Pay and Grade Structure

The College has made some considerable improvements to the pay structure since the previous audit analysis of 2014. Concern was expressed over the application of significant overlapping incremental steps within the support grade structure. This matter has been addressed in a significant sense although some minor structural issues remain.

The number of automatic increment steps reported in the audit of 2014 has been addressed. In assessing equality risks, we generally operate a guide figure of no more than five increment steps where automatic time served pay progression applies. In 2014, within the

Forth Valley pay structure, grades with more than five steps occurred in Grades 5 and 6. These have now been removed.

The only outstanding matter relates to the use of two overlapping pay points in Grades 6 and 9.

It is recommended that the College remove the overlapping points as follows:

Grade 6 – remove SCP 25

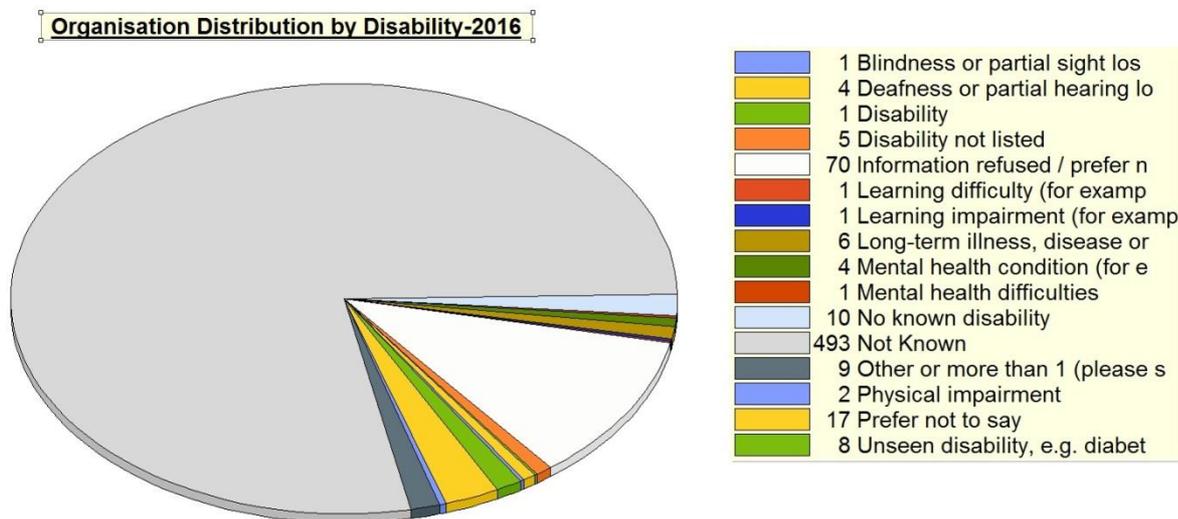
Grade 9 – remove SCP 35

In general terms, however, Forth Valley College have made considerable improvements to the support staff pay structure and operate in an environment positive to gender pay.

The Senior Management pay environment has reported a pay gap in Grade 16, caused by the use of extension point within the grade structure. The College is encouraged to ensure that a clear market based evidence trail is maintained to justify the salary position of the role placed at this high level.

iii. Disability Pay Analysis

An overall examination of the disability breakdown of the population sets the scene.



At this stage, it is particularly important to stress that clear conclusions relating to disability pay are limited due to the very small population of employees who have declared a disability (37 employees out of a total of 633 employees or 5.8%). This small representative sample

does not allow us the opportunity to identify clear patterns. However we can examine a top level overview of those who are disabled in comparison with those who are not.

With a disability pay audit we are not concerned should a positive pay gap be noted in favour of disabled employees so we will concentrate on any areas where a negative pay gap exists.

For this report employees with a declaration of 'Not Known' are assumed to be non-disabled. Those who have specified 'prefer not to say' or 'information refused' are excluded. This gives an employee profile of 556 records.

The Pay Gap:

Equal Work Group	Non-Disabled		Disabled			
	Count	Avg Total Hourly Rate	Count	Avg Total Hourly Rate	Difference (£)	Pay Gap (%)
1	12	8.81	1	8.67	0.15	1.69
2	17	10.71	2	10.5	0.2	1.89
3	27	10.41	5	10.36	0.05	0.46
4	42	11.47	7	11.46	0.01	0.09
5	37	12.88	5	12.52	0.36	2.76
6	27	13.69	2	13.57	0.12	0.85
7	39	15.66	2	15.52	0.14	0.87
8	14	17.89	1	17.75	0.14	0.79
9	231	19.49	25	19.73	-0.24	-1.23
10	11	21.84	0			
11	30	24.86	1	25.01	-0.15	-0.59
12	1	27.16	0			
13	7	30.16	3	31.33	-1.17	-3.89
14	0		0			
16	5	44.54	0			
18	1	54.15	0			
19	1	66.18	0			
	502	17.59	54	16.9	0.69	3.9

The College has an overall pay gap in favour of non-disabled employees of 3.9%. No cautionary or significant pay gap has been reported however in any equal work group.

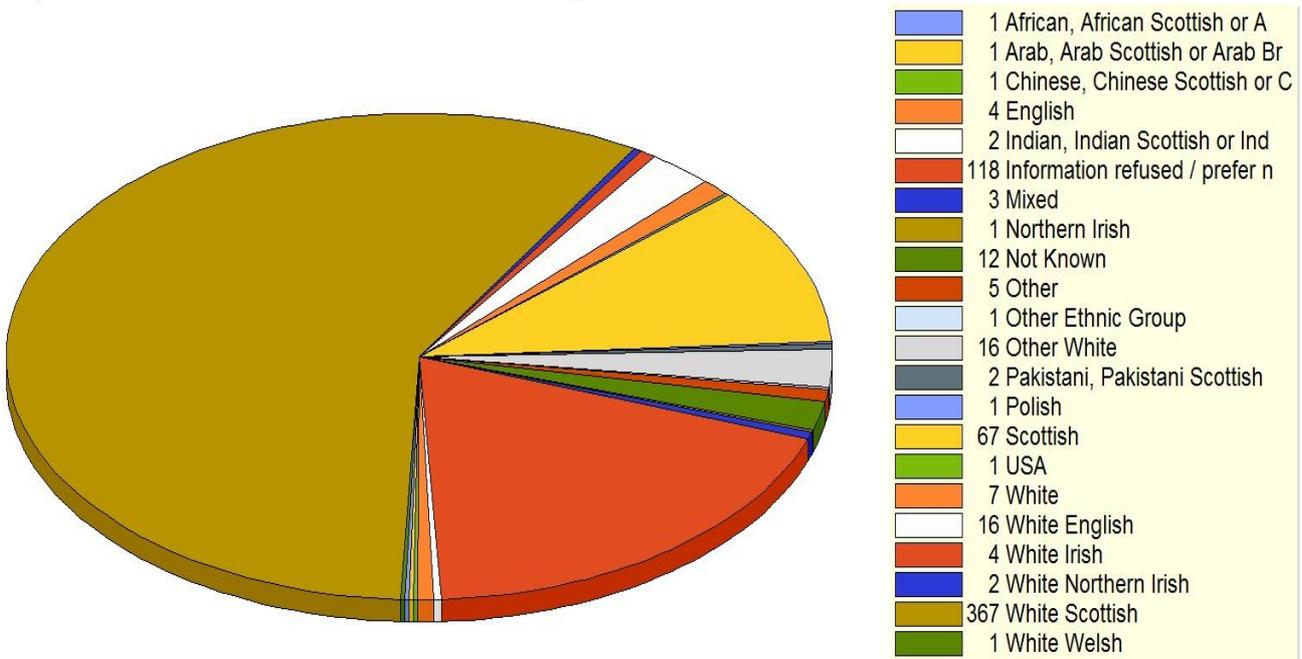
Disability Pay Gap Conclusions

The small profile of declared disabled staff provides for limited statistical significance. However the College is now reporting a significantly improved pay gap position with the 2014 pay gap of 7.46% now reduced to 3.9% and no equal work group pay gaps reported in any area. This will be mostly as a result of the changes to the support staff pay structure with fewer increment steps and overlapping points. The College remains encouraged to promote the benefits of employees making full declaration relating to any disability in order to ensure that equality of pay is measured and assured.

iv. Ethnicity Pay Analysis

An overall examination of the ethnicity breakdown of the population sets the scene.

Organisation Distribution by Ethnicity-2016



Like Disability, a pay gap analysis is influenced by the fact that we have a relatively small declared ethnic minority dataset. The employment profile includes a declared ethnic majority of 434 'White Scottish, or Scottish' employees with a total of 18 other ethnic groups in total. Therefore any patterns are unlikely to be conclusive. In addition we have 130 employees without a declared ethnicity.

The Pay Gap

For this purpose identifying what comparison should be made is open to debate. A summary is presented whereby any adverse pay gap is identified in comparison with those who the declared dominant ethnicity, in this case 'White Scottish and/or Scottish' as their ethnicity in comparison with all other ethnic minority groups.

Equal Work Group	Ethnic Majority		Ethnic Minority			
	Count	Avg Total Hourly Rate	Count	Avg Total Hourly Rate	Difference (£)	Pay Gap (%)
1	7	8.92	2	8.67	0.25	2.86
2	14	10.55	1	11.61	-1.06	-10.05
3	24	10.4	2	10.45	-0.05	-0.49
4	39	11.48	7	11.5	-0.02	-0.14
5	35	12.93	2	12.68	0.25	1.93
6	25	13.77	5	13.31	0.46	3.34
7	32	15.59	2	16.4	-0.81	-5.2
8	12	17.81	3	17.75	0.06	0.32
9	199	19.56	33	19.52	0.04	0.22
10	7	22.57	3	21.51	1.05	4.67
11	25	24.8	5	24.92	-0.11	-0.45
12	1	27.16	0			
13	8	30.15	1	33.13	-2.99	-9.91
14	0		0			
16	5	44.54	0			
18	1	54.15	0			
19	1	66.18	0			
	435	17.7	66	17.8	-0.1	-0.56

The College has a small overall pay gap in favour of ethnic minority employees. However this is materially impacted by the small relative numbers recorded. Cautionary pay gaps in favour of the ethnic majority are reported in Groups 6 and 10.

Equal Work Group 6 – Pay Gap FTE 3.34%

The pay gap is created due to the relative placement of ethnic minority employees within Grade 6. Incremental progression will resolve this pay gap anomaly.

Equal Work Group 10 – Pay Gap FTE 4.67%

The pay gap is created due to the relative placement of ethnic minority employees within Grade 10. Incremental progression will resolve this pay gap anomaly.

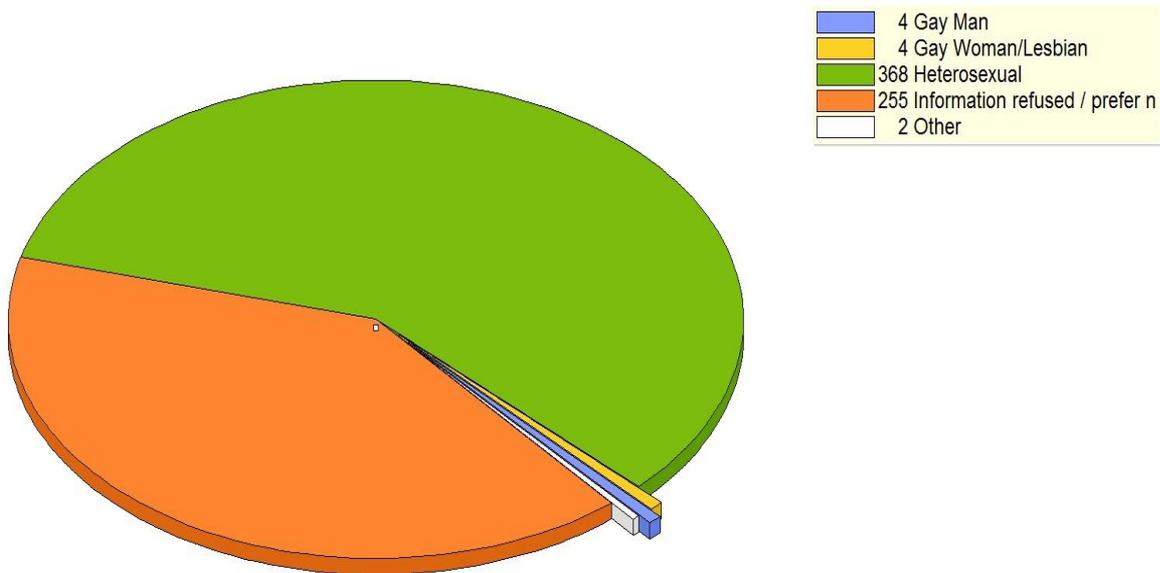
Ethnicity Summary

There are no significant ethnicity pay gap issues within Forth Valley College. The relatively few employees with a declared ethnic minority do not give a clear pattern to the data but there are no structural issues within the pay environment of concern.

v. Sexual Orientation Pay Analysis

An overall examination of the sexual orientation breakdown of the population sets the scene.

Organisation Distribution by Sexual Orientation-2016

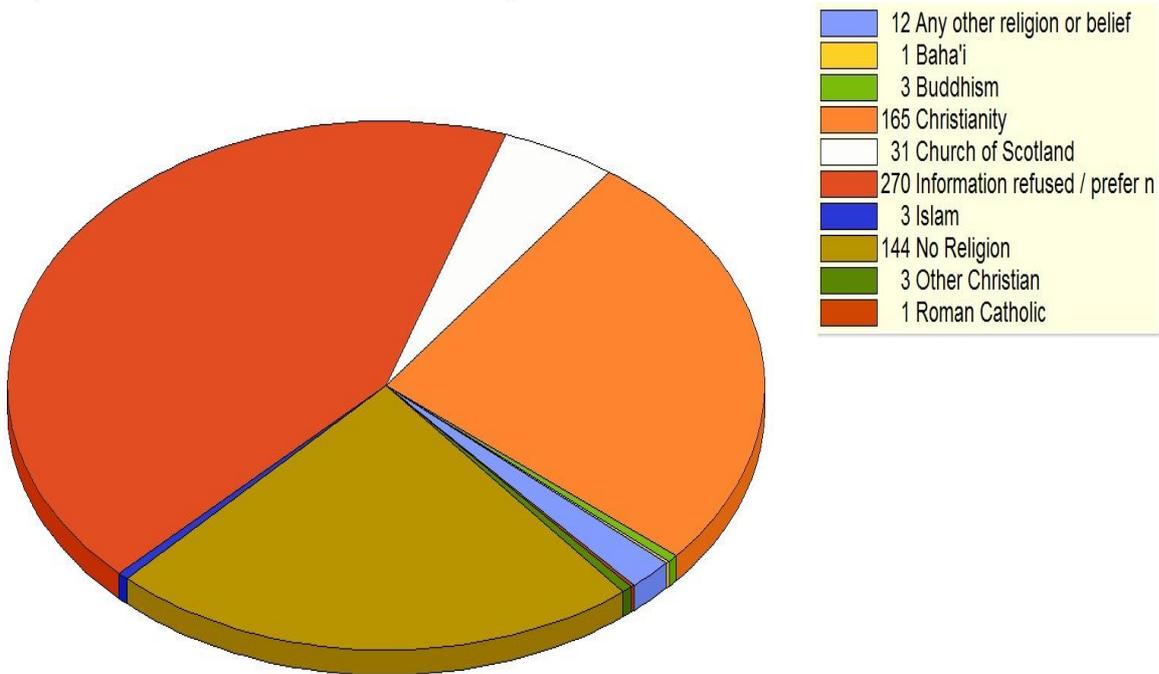


The declared profile of sexual orientation does not allow for meaningful statistical analysis. In effect we have 10 employees declared as non-heterosexual. 255 employees have made no declaration. There is not enough data to make an analysis statistically valid.

v. Religion Pay Analysis

An overall examination of the declared religious breakdown of the population sets the scene.

Organisation Distribution by Religion-2016



The above analysis identifies Christianity as the majority religious group with 'No religion' the second most dominant group. Other religions (excluding Christian categories) account for 22 employees. 270 employees have made no declaration against the religion category. As such any reported patterns on pay are likely to be of no statistical validity.

PAY ELEMENTS BY GENDER

Forth Valley College do not operate an environment where significant additional pay elements are in place on top of base pay. The following provides for a summary of the expenditure on each of these additional pay elements over the data extraction period (excluding overtime).

Pay Element	Annual £
Standby	9310
Conservation	43766
Travel	3274
Shift	31926
Added Responsibility	17000

From the above table, a range of additional pay elements are paid, some of more significance than others.

Standby Allowance

Where an employee is rostered to undertake standby duty he/she will be paid a standby allowance of £59.68. The gender breakdown of those in receipt of the payment is as follows:

Job Title	Male
Facilities Assistant	8
Facilities Team Leader - Falkirk	1
Facilities Team Leader - Stirling/Alloa	1
Grand Total	10

Standby is paid per event and clearly focussed on the requirements of the role of Facilities Assistant and Team Leader which is male dominant. Standby is a reasonable compensation for availability out of normal hours and tends to be claimed by male employees who generally do not have primary caring responsibilities restricting availability out-with standard hours.

The application of Standby does contribute to the reported pay gap in Grade 2 but is an acceptable compensation for unsocial working.

Conservation Pay

Forth Valley College apply Conservation Pay for the following condition (extract from Working Practices Agreement):

‘An eligible member of staff appointed to a post of a lower grade than the post previously held, will be entitled to salary conservation for a 5 year period. For this 5 year period s/he will be paid at the salary that s/he receives at the effective date of transfer.

No other increases in salary will be paid unless the salary level for the new post overtakes the level of the conserved salary. Should this situation arise, the employee will move to the salary of their post and the conservation period would be deemed to be at an end.’

The following is a summary of those who remain in receipt of Conservation.

Job Title	Female	Male
IS Project Support Officer	1	
Lecturer	8	2
Grand Total	9	2

In total 11 roleholders are identified, 2 of which are male (18%) and 9 female (82%). It is also worth noting that the majority of cases are Lecturers. This relates to the impact of re-structure in 2012 which resulted in a number of former Depute Heads being offered Lecturer positions at a lower grade. There is now a short time duration for this arrangement to conclude. The previous audit analyses did not identify Conservation pay as a noted contributor to any presented pay gaps. As a result, Conservation pay does not have a material impact on the overall gender pay gap and will soon have no impact on the overall pay picture.

Travel Allowance

This allowance is payable where an employee is required to change their principal place of work. In this case individuals would receive contractual notice of the change and receive a travel allowance for a period of two years from the date the change takes effect.

The travel allowance will be paid at the appropriate Inland Revenue rate and will be based on the increased daily mileage. This payment is open to all employees and is therefore has no relationship to gender, ethnicity, disability or age.

Shift

The Facilities team receive a specific shift allowance payment in addition to the standby and overtime. Again, this male dominant group stand out.

Despite the apparent dominance of male employees in receipt of 'unsocial hours' enhancements, pay elements do not contribute to any reported pay gaps. No concern is noted for the application of additional pay elements at this time.

4. Step 5: Action plan and Recommendation:

Forth Valley College do not have any significant exposure to equal pay challenge. The major job groups which are gender dominant do not present major concern in relation to widespread challenge one role referenced against another.

The Equal Pay Audit for Forth Valley College contains the following main recommendations based on the sectional analysis above:

i. Grading Structure

The College has made significant improvements to the Support staff pay and grade structure from the audit analysis of 2014. The 2014 audit recommended the following:

'It is recommended that consideration be given to a review of Grade 5 and 6 to reduce both the scale of overlap and the number of increment steps applied. This can be done in stages over an extended period.'

It is also recommended to remove additional overlapping points as follows:

*Grade 3 – remove SCP 13
Grade 8 – remove SCP 32'*

The recommendations relating to Grade 3 and 8 have been actioned. Improvements have been made across the grade structure and the equality risks are now minor. Should the College choose to do so to close all risks relating to the support staff structure the following could be considered:

Grade 6 – remove SCP 25 (or alternatively Grade 5 remove SCP 26)
Grade 9 – remove SCP 35

The College is encouraged to regularly review the operation of the Senior Management grade structure. The utilisation of external benchmark referencing to inform salary levels is appropriate in setting pay levels, however, care must be taken to ensure that the evidence used is robust and reviewed on a regular basis. An annual review of pay decisions taken from an equality perspective would be prudent action.

ii. Data Availability

In this audit report as for our previous analysis, data limitations for many of the protected groups except Gender mean that any statistics produced are of restricted value due to the limited data available. This is not uncommon and is not a criticism of the College. However, until more comprehensive data is collected and available for these categories, no notable conclusions will be drawn on pay equality for these comparisons.

From the data that is available however and the structural changes made to the Support staff pay structure, Forth Valley College operate in an environment positive to gender pay.

The above reported issues are generally structural ones to close off remaining equal pay risks.

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30 November 2016