



**What we did
and what's
made a
difference in
2022**

Gender & Ethnicity

Pay Gap Report 2022-23





Foreword

This past year of 2022 has reminded us of the importance of having a culture of belonging to drive positive change. Against the backdrop of the Ukraine war, political challenges, fuel and food cost increases, and as one of the larger employers in the region, our role in providing some of the solutions and supporting our community partners to continue to do the same.

This report is the third year where we have shared this level of data. We have reported our gender pay gap since 2016 and our ethnicity pay gap since 2021. Although there are marginal increases in the gender pay gap for this reporting period, it is important to note that this still represents a significant positive outcome when compared to first reporting in 2017.

David Meadowcroft
Chair of Governors

Sally Alexander
CEO & Group Principal

The median **gender pay gaps have narrowed since first reporting in 2017** from 11.2% to the current year of 7.2%. This is mirrored by the mean pay gap from 8.4% to 6.3%. When compared to the ONS gender pay gap data for 2022 of 14.9%, and the education sector, with the third highest pay gap of 20.4%, it strongly indicates that the measures that have been put in place by MK College Group are having a positive impact on women's pay.

Ethnicity pay gaps have continued to be volatile due to the low number of employees from ethnic minorities. There are marginal changes in both mean and median averages, however the more notable disparities exist when comparing women from different ethnic groups. The experiences of women from all ethnicities except White shows larger pay gaps, mainly driven by lower representation in senior positions..

We are conscious that **representation at all levels within in the group does not reflect our wider community**, and our approaches to attraction and promotion must continue to be our priority, and is being guided by our Building Fairer Futures strategy.

At a glance – MKCG Pay Gaps

Gender Pay gap



Mean
2022 **5.2%**

2023 **7.2%**

↑ +2%

Median
2022 **4.5%**

2023 **6.3%**

↑ +1.8%

Ethnicity Pay gap



Mean
2022 **2.8%**

2023 **1.9%**

↓ -0.8%

Median
2022 **2.1%**

2023 **5.7%**

↑ +3.6%

Black Pay gap



Mean
2022 **0.9%**

2023 **-0.9%**

↓ -1.8%

Median
2022 **0%**

2023 **4.4%**

↑ +4.4%

The **gender pay gaps** are expressed as a percentage of the **average male earnings**.

The **ethnicity pay gaps** are expressed as a percentage of the average **all white ethnicity earnings**.

Data as at 31st March 2023 for all permanent employees of MK College Group.

Sharing

100% of employees have shared their sex.

86.3% of employees shared their ethnicity

Pay Gaps – what we did in 2022

Benchmark Leaders in Diversity

The National Centre for Diversity re-accredited MK College Group with its new Leaders in Diversity award in 2022, focusing on Fairness, Respect, Equity, Diversity, Inclusion and Engagement (FREDIE framework).

This was a solid endorsement of the progress that has been made since 2018, and validation of our approach moving forward.

The Group is now developing its strategy to develop the reports recommendations across all our functions.

Aware Reporting

Accessibility to data and evidence is essential to raise our awareness to drive change where needed. People data is shared on a monthly basis with decision makers. The report details data from across the employee lifecycle, where available, to ensure we have an informed approach towards business partnering.

Where data and evidence is less robust, we are working hard to build the systems and capturing mechanisms to ensure improved clarity.

Reward Pay Awards

Recognising the economic challenges our workforce has faced due to increases in food and fuel costs driven by a variety of factors is important to us.

The pay award for 2022 recognised that those on the lowest pay, should receive the most and a top threshold was also set above which, no pay awards were given.

This mechanism was supported by the unions and pay awards were rolled out from September 2022 onwards. More details can be found in this report.

Competence Senior Leadership Development

From March 2022, senior leaders from across the Group embarked on an ILM qualification on one of two pathways; Leading in EDI and Inclusive Curriculum Leadership. Ten leaders achieved Member/Associate level where they had to demonstrate an action led approach. As a direct result of this programme, numerous projects have been instigated across the Group.

Priorities Risk Management

Developing the Group's inclusive approach to identifying risk is a continuing priority. Two key aspects are being developed; embedded equality impact assessments withing the Risk Register, and the Group's approach to Equality Impact Assessments on project work. Both aspects will contribute to recognising risk, setting priorities and resourcing to enable more inclusive outcomes.

The aim is to improve outcomes through inclusive planning.

Belonging Employee Networks

The five employee networks continue to grow and have increased awareness on a variety of topics; Menopause, men's mental health, British Sign Language, pronoun usage, faith room provision, dietary requirements and allyship.

The expertise of the networks is now better recognised and are used as internal consultants in a variety of ways.

Gender Pay - what's made the difference



Leadership & Management

Our Leadership and Management Programme Transform continues to grow and improve its reach. Transform now has two distinct strands. Transform Develop continues to grow our existing cohort of leaders. Transform Aspire recognises and supports our emerging leaders within the Group.

In 2022, **74%** of the participants are female, and **22%** are from under-represented ethnicities. Both figures represent an increase on the previous year.



Women's Network

The Women's Employee Network, launched in 2021, and now is one of the more established networks at the Group. This network represents the 70% strong workforce, and continues to strive for increased allyship. Of the many initiatives, the awareness around the impact of menopause has been a key focus. The Group now has a regular Menopause Café where all staff are able to discuss their experiences. In addition, our WellBee hub shares insights and resources on a regular basis.



Pay Awards

The pay awards for 2022 implemented from September onwards in a phased roll-out with union consultation.

Although there is a marginal increase in the gender pay gaps for this period, the pay award model that was implemented had an aim of giving the most to those in lowest pay groups.

79% of all females received the highest pay award (71% male), which represents 55% of all our workforce (22% male).

13% of all females received the lower pay award (8% male), which represents 19% of all our workforce (26% male).



Ways of working

We are continuing to learn lessons from the ways of working adopted during the pandemic, and developing approaches to ensure, where possible, hybrid and remote opportunities to be embedded.

Due to the complex nature of our Group, it is unlikely there will be a singular model, however, the values and ethos that underpin our approach, should establish a level of fairness across the group. The most challenging hurdle to overcome will be that a disproportionate number of females occupy roles with the least flexibility.

Gender Pay in more detail

Gender pay gap 2023

For every **£1** earned by a **male**, a **female** earns ...

Mean

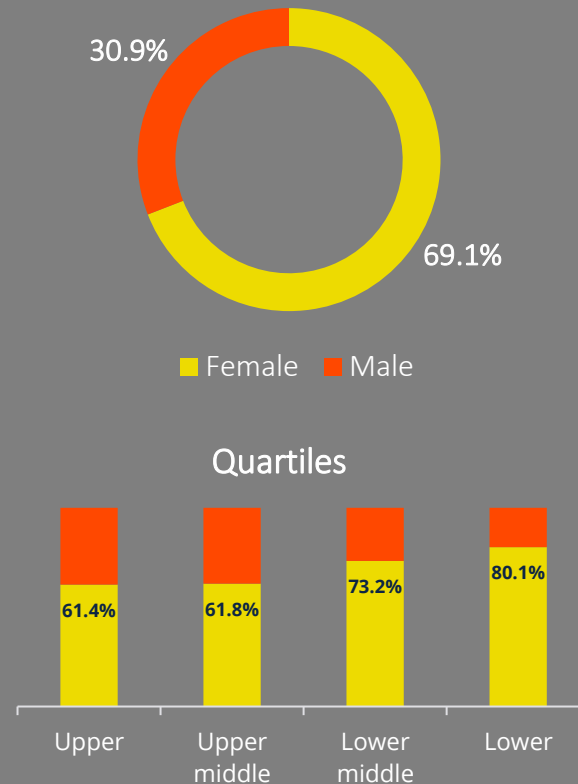
92.8p ↑

Median

93.7p ↑

This compares to **94.8p** and **95.5p** in 2022, respectively

Representation MKCG



Bonus pay gap 2023

For every **£1** bonus paid to a **male**, a **female** received ...

Mean

59.1p

Median

28.2p

0.7% females received a bonus

1.1% males received a bonus

£12,050.39 total bonus payments (7 payments)

Data for the year to 31st March 2023

Ethnicity Pay – what's made the difference



ILM Accredited Leaders

Ten of our most senior leaders completed an ILM qualification in Leading in EDI and Inclusive Curriculum Leadership. **The majority of the leaders attained a Member level accreditation.** As a direct result of this programme, a number of projects have been instigated across our many functions, including; People Services, Marketing & Communications, Admissions & Bursaries, Estates, Inclusion, Digital, Quality & Curriculum, and Prison Services.



Cultural Diversity Network

The Cultural Diversity Employee Network continues to grow, and is probably the most challenging network to grow for a number of factors; low number of employees and high numbers within junior roles. Irrespective of these challenges, the work that has been done, has made a huge difference to building allies across the Group. Initiatives have included improving faith room provision, washing facilities, and cultural food menu development.



Pay Awards

Although representation across the Group is growing marginally, which is one of the key levers that impact pay gaps, the pay award for 2022 has a purpose to elevate pay for the lowest paid, the most.

85% of our workforce from an ethnically under-represented heritage received the highest pay award (73% White ethnicity).

14% of our workforce from an ethnically under-represented heritage received the lower pay award (24% White ethnicity).



#FEVoices

The third series of #FEVoices launched in March 2023 with a focus on racial justice from the perspective of different stakeholders. The aim of this series is to create a shared sense on understanding and encourage positive action. This series has five podcast episodes featuring our Student Commissioners, local business founders, and the FE Commissioner, all sharing their perspectives on the actions that are needed to realise racial justice.



[LISTEN here.](#)

Ethnicity Pay in more detail

Ethnicity pay gap 2023

For every £1 earned by a White employee, a Black, Asian and Mixed ethnicity employee earns ...

Mean

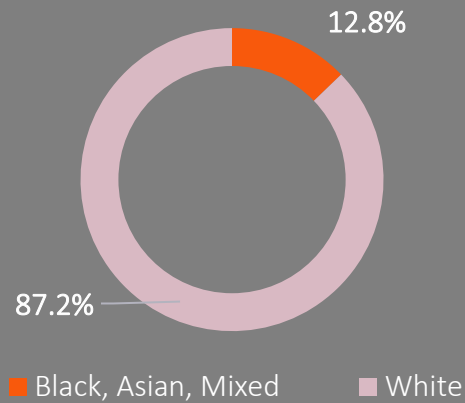
94.3p ↑

Median

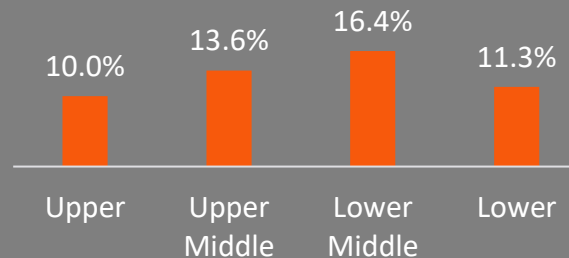
98.1p ↓

This compares to **97.2p** and **97.9p** in 2022, respectively.

Representation MKCG



Quartiles



Bonus pay gap 2023

For every £1 earned by a White employee, a Black, Asian and Mixed ethnicity employee receives ...

Mean

No bonus

Median

No bonus

0% Black, Asian, Mixed ethnicity employees received a bonus

0.9% White employees received a bonus

£12,050.39 total bonus payments (7 payments)

Data for the year to 31st March 2023



Black

There is higher representation of Black employees on Campus at 4.2% compared to 3% within our Prison Services.

Milton Keynes has a higher proportion of 9.7% compared to 4% in England & Wales (2021 Census).



Asian

There is higher representation of Asian employees on Campus at 7.6% compared to 1.2% within our Prison Services.

Milton Keynes has a higher proportion of 12.4% compared to 9.3% in England & Wales (2021 Census).



Mixed

There is higher representation of Mixed ethnicity employees on Campus at 4.8% compared to 3.6% within our Prison Services.

Milton Keynes has a higher proportion of 3.3% compared to 2.9% in England & Wales (2021 Census).



White

White employees are the majority in all areas of MKCG with 71.3% on Campus and higher proportion with Prison Services at 75.1%.

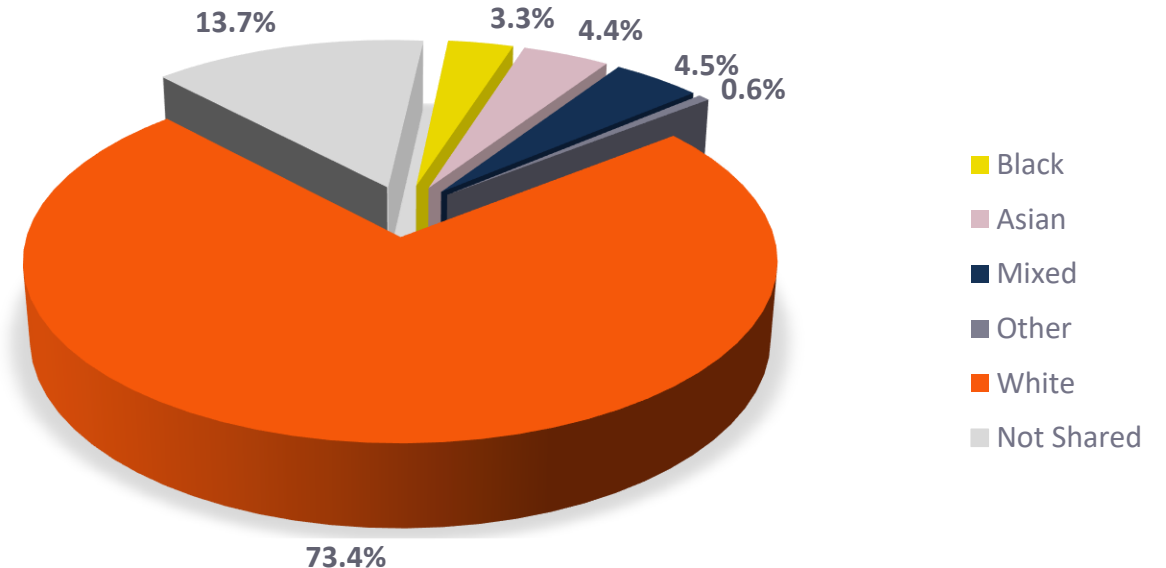
Milton Keynes has a similar proportion of 71.8% compared to 81.7% in England & Wales (2021 Census).

Ethnicity at MKCG

The 2021 Census data has now been published and shows the English and Welsh population that are from an Asian, Black and Mixed Heritage account for 16.2%, an increase from 13% in 2011. MKCG across all its locations at 12.8%, a marginal increase from 12.4% in 2022.

Three-fifths of the MKCG workforce has its base within Milton Keynes, where the local population from Asian, Black and Mixed Heritage has grown to 34%, from 26% in 2011. In addition, the school age ethnicity now accounts for 52% from these ethnically diverse groups. The MKCG workforce in this region from ethnically diverse groups accounts for 16.6% (Prison Services across 19 locations is 7.8%). In addition, 35% of all reporting units have no ethnicity except White amongst its workforce, which is a decrease from 50% in 2022. Prison Service reporting units remain the same at 26%.

Ethnicity at MKCG



Ethnicity balance

This is the third year of voluntary reporting of ethnicity pay gap and representation data. Although it is relatively early to see trends, one aspect is clear – there remains a lack of visible representation in the most senior levels within the Group.

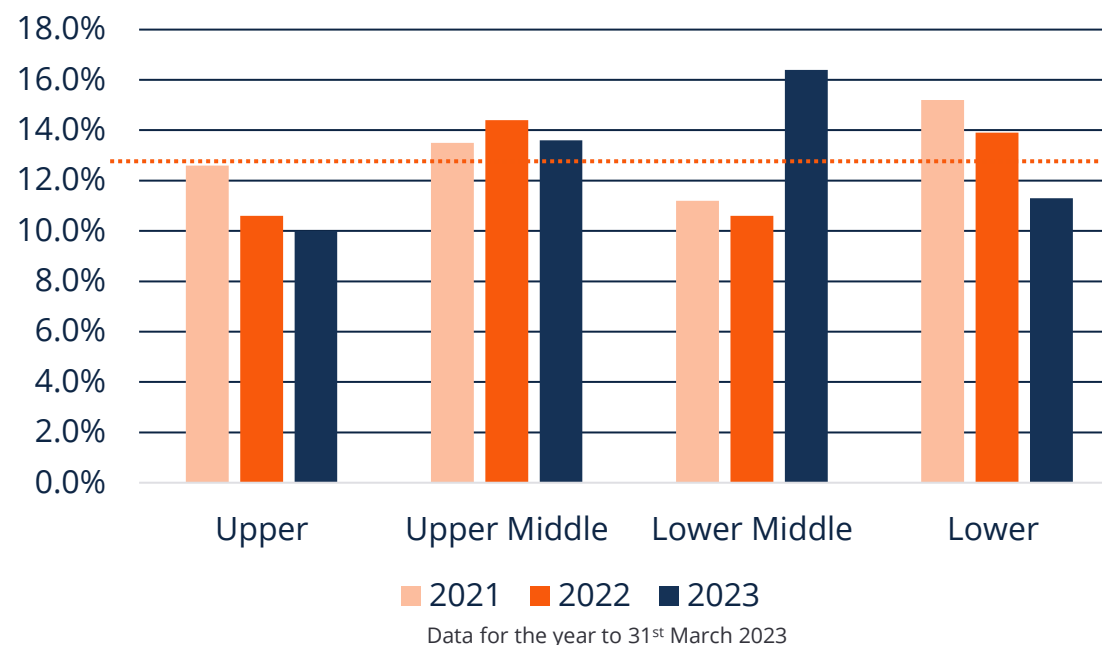
Representation

Although there are marginal increases in the number of employees from ethnic minorities, representation across the different levels remains varied.

In the top two levels, Executive and E, there is no representation outside White ethnicities. 92.6% of all Black employees and 89.7% of all Asian employees are within the lowest levels, compared to 81.8% of all White employees.

There are no Black employees in job grade D or above, and no Asian employees above job grade E or above.

Ethnicity Quartile Trends

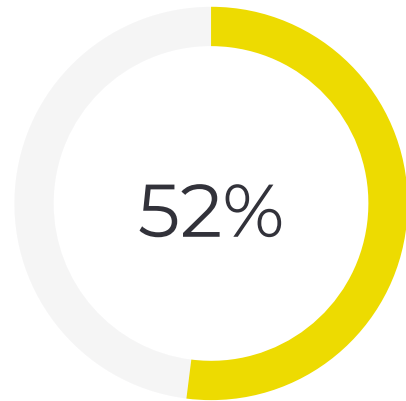


Ethnicity quartiles

Decreases in representation in all quartiles except the Lower Middle are one of the key drivers that have led to an increase in the ethnicity pay gap. The overall number of employees from ethnic minorities has marginally increased from just under 100 to over 110, as the numbers of employees are still relatively small, there is likely to be some volatility in the data.

The initial aim is that each quartile aligns with group proportion, currently at 12.8%.

Gender & Ethnicity



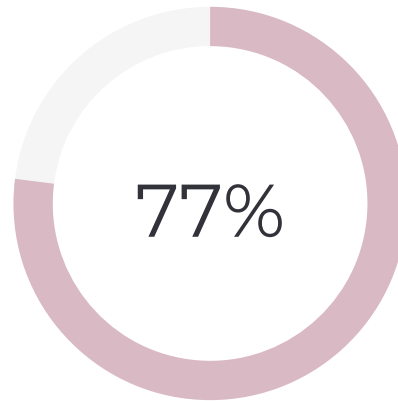
Black Female

Of all Black employees, 52% are female.

Pay gaps as compared to White Male employees are:

13.9% median

16.7% mean



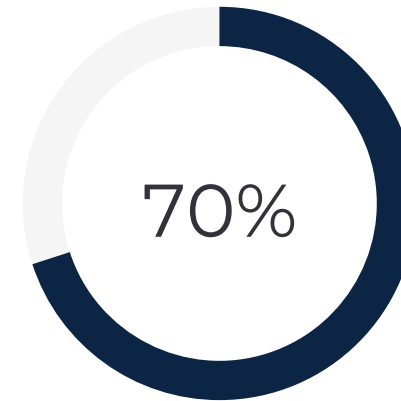
Asian Female

Of all Asian employees, 77% are female.

Pay gaps as compared to White Male employees are:

12.4% median

11.4% mean



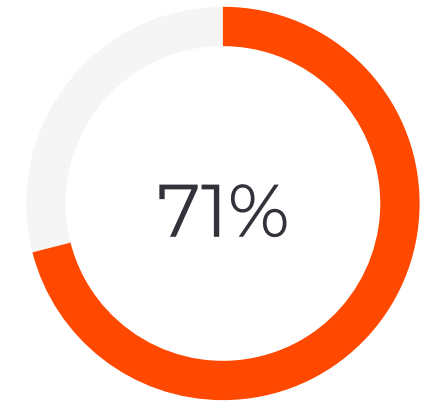
Mixed Female

Of all Mixed employees, 70% are female.

Pay gaps as compared to White Male employees are:

13.5% median

17.7% mean



White Female

Of all White employees, 71% are female.

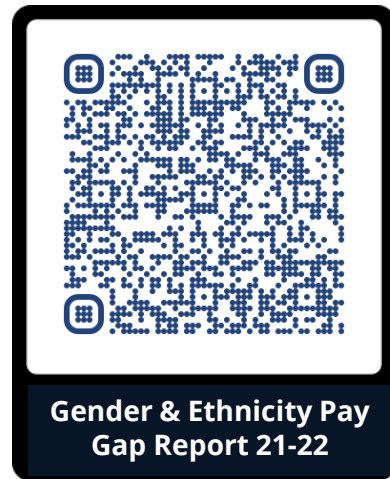
Pay gaps as compared to White Male employees are:

6.2% median

8.9% mean

Data for the year to 31st March 2023

Collaborate



Over the past 3 years we have worked alongside many of our partners, in industry, the education sector, and our communities. Our combined efforts are the catalyst for change and we encourage anybody who wishes to use the resources we produce to contact us so that we can make that possible. If there are any particular projects detailed in this report you wish to collaborate on, find out more about or contribute to, please contact us.

Finally, if you wish to report on your own ethnicity pay gap and data, and need guidance, we are more than happy to support your journey. We are not the experts but we have made a start!

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