



**VTCT**

2016/17

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# GENDER PAY GAP REPORT

Commisioned by VTCT



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# 1. Foreword

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**Vocational Training Charitable Trust (VTCT) is a specialist awarding organisation and charity offering vocational and technical qualifications in a range of service sectors.**

Our full suite of qualifications includes:

- Hairdressing & Barbering
- Beauty Therapy
- Complementary Therapy
- Sport, Active Health & Fitness
- Hospitality
- Business & Retail
- Learning & Development

More than 1,200 approved centres work with VTCT, and the ever-expanding list extends across the UK, Ireland, and internationally. VTCT aims to advance education, research and the public dissemination of knowledge, helping to introduce new initiatives into the education system.

As part of its learner-focused strategy, VTCT acquired two companies in 2016 to improve the learner experience. It acquired education technology specialists Digital Assess, adding value for training providers with technology that can digitally capture and assess learners online, amongst other innovations. Its acquisition of internationally

recognised examination board iTEC (Education & Media Services Ltd) also added to VTCT's specialist offering. The three companies make up the Assessment Group.

iTEC has over 650 approved centres worldwide, and has offices in London, South Africa and Asia Pacific and representation in Ireland and the United States of America. iTEC offers centres and learners high quality regulated qualifications for employability, specialist subjects and skills enhancement.

At the snapshot date VTCT and iTEC both had significant employees and relevant contractors although neither were above the 250 threshold. They are separate legal entities.

VTCT and iTEC are committed to ensuring that personnel are recruited, selected, monitored and can progress within the organisation in a fair and equitable manner, based on their relevant attributes, skills, experience and performance only as required by the Equality Act 2010. This commitment to equality and fairness is equally applied when selecting contractors who perform a personal service.

VTCT has  
**1,200+**  
approved  
centres

iTEC has  
**650+**  
approved  
centres

The importance of transparency is recognised across the organisation and the opportunity to voluntarily, publically report on gender pay gap is welcomed.

## 2. How is the Gender Pay Gap different to Equal Pay?

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When reading this report it is important to understand the difference between the gender pay gap and equal pay. Inequality of pay is unlawful whilst a gender pay gap is not. The Equality & Human Rights Commission describes the difference between the two as:

*'Whilst both equal pay and the gender gap deal with the disparity of pay women receive in the workplace, they are two different issues:*

- 1 Equal pay means that men and women in the same employment performing equal work must receive equal pay, as set out in the Equality Act 2010.*
- 2 The gender pay gap is a measure of the difference between men's and women's average earnings across an organisation or the labour market. It is expressed as a percentage of men's earnings.<sup>1</sup>*

The gender pay gap is not within the direct control of the organisation but taking action to try and address any gap is.

<sup>1</sup> [https:// www.equalityhumanrights.com/en/advice-and-guidance/what-difference-between-gender-pay-gap-and-equal-pay](https://www.equalityhumanrights.com/en/advice-and-guidance/what-difference-between-gender-pay-gap-and-equal-pay)

### 3. The Assessment Groups staffing Structure

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The Gender Pay Gap reporting requirements are that all staff including contractors who 'personally perform a service' are included. Both VTCT and iTEC have a mixed staffing structure, some staff are on a monthly salary, some are paid on a day rate basis and some contractors are piece workers. Typically the piece workers are those writing qualification units, marking or moderating etc. Most of these piece workers undertake a variety of different tasks which are paid at different rates per 'piece'. During the period up to the snap shot date of 05/04/17 the exact criteria for deciding on the rates paid to individuals, and the exact number and type of tasks completed by them, can't be established with enough clarity to arrive at a sensible

hourly rate. For this reason they have been excluded from the report. These contractors will be included in the next report as at 05/04/18 and processes have been put in place to ensure more accuracy for arriving at an hourly rate going forward.

As the Assessment Group has decided to voluntarily report on Gender Pay Gap, we have decided to report the group as a whole. VTCT and iTEC were separate legal entities at the snapshot date but in 2017/18 all staff transferred their employment to VTCT. Reporting as a whole allows for direct comparison going forward.

## 4. Summary

As at the 5<sup>th</sup> of April 2017 (the snapshot date) the gender split of the workforce at the Assessment Group, including both VTCT and iTEC, was 74.5% female and 25.5% male. This compares with a voluntary sector average of 65% female.<sup>2</sup>



The Assessment Group's overall gender pay gap is 13% (Average Mean) but 0% gap (Average Median), this compares with the Charity sector average of 8.1% (Average Mean) and 7.8% (Average Median), the Education sector average of 11.8% (Average Mean) and 14% (Average Median) and an overall average of 14.5% (Average Mean) and 13.6% (Average Median). Although the Assessment Group is below the overall average the disparity with both the Charity and Education sector needs to be addressed.

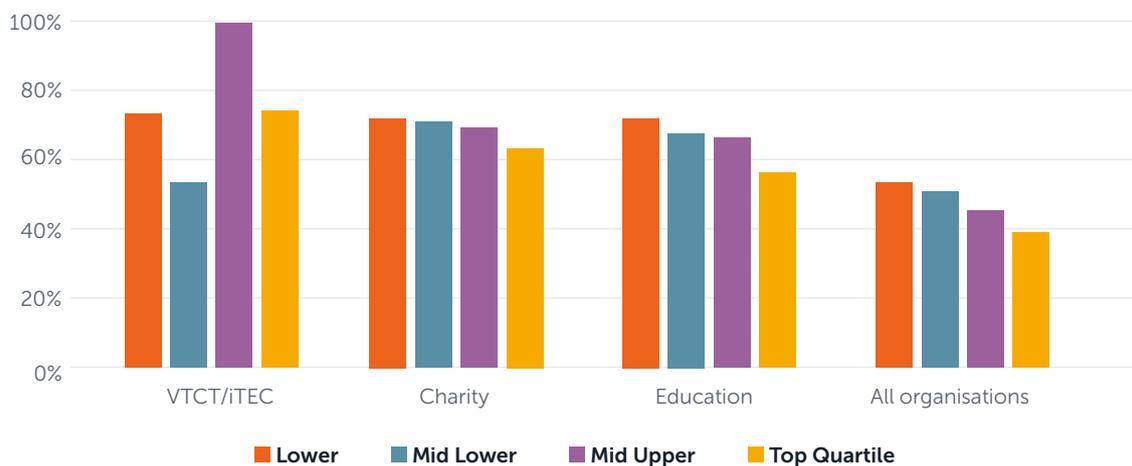
|                      | Pay Gap (Mean) | Pay Gap (Median) |
|----------------------|----------------|------------------|
| The Assessment Group | 13%            | 0%               |
| Charity Sector       | 8.1%           | 7.8%             |
| Education Sector     | 11.8%          | 14%              |
| All Organisations    | 14.5%          | 13.6%            |

<sup>2</sup> <https://data.ncvo.org.uk/a/almanac17/fast-facts-6/>

## 5. Gender split by Pay Quartiles

The chart below shows a comparison of the proportion of female staff by pay quartile<sup>3</sup>. Although the Assessment Group compares favourably the top quartile mix at 73.2% is still slightly lower than the overall workforce split with 74.5% made up of female staff.

Proportion of female staff by pay quartiles



<sup>3</sup> Charity and All Organisations data from; Gender Pay Gap website, used under the Open License Agreement v3.0

## 6. Understanding the gender pay gap

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**Within the Assessment Group both VTCT and iTEC are awarding organisations with specializations primarily in Hair and Beauty. Inevitably academic organisations will draw on either industry knowledge or specialist trainers when recruiting or contracting.**

The industry has a prominence of female workers with the relevant education sectors being more balanced. The Office of National Statistics shows the following statistic for gender in 2016:

- Hairdressing and Barbering: 90% of the workforce are female and women are paid on average 1.1% more than men.
- Beauticians and related occupations: the overall split is not available but women are paid on average 1.1% less than men.

- Further Education teaching professionals: 47% of the workforce are female and women are paid 0.5% less than men.
- Vocational & Industrial trainers & instructors: 55% of the workforce are females and women are paid 5.4% less than men.

The majority of both VTCT and iTECs workforce contribute to the core business rather than the supporting department's so it is not surprising that the majority of the workforce (74.5%) are female.



Majority of  
the workforce  
(74.5%) are  
female

## 7. Priority areas for action

The priority for the Assessment Group is to reduce our overall gender pay gap to as close to zero as possible, actions will include:

- Internal promotion and development; the organisation has already begun Leadership and Management training to enhance the skills of its senior and middle management. Targeting internal succession should improve our gender pay gap by default due to the higher proportion of female staff overall.
- Numbered rather than named shortlisting is undertaken by managers.
- Senior management training on unconscious bias and gender power relationships have been undertaken with an external consultant.

In addition to the above undertaking this gender pay gap reporting has highlighted inconsistencies in the way pay rates for piece work are arrived at and as a consequence their exclusion from this report. This was already under review and improvements have been made but, having attempted to arrive at average hourly pay rates for these contractors has shown further improvement is possible. The result will be a very clear piece work pay structure linked to technical level of the qualification/unit and complexity based on the number of learning outcomes. This will ensure all contractors personally fulfilling a service will be paid the same for the same level of work, limiting unconscious bias.

### Document History

| Version   | Issue Date | Changes   | Role                         |
|-----------|------------|---|------------------------------|
| 0.1 Draft | 23/03/18   | First draft for internal consultation                         | Strategy and Project Manager |
| 0.2 Draft | 01/05/18   | Updated with information on why contractors can't be included | Strategy and Project Manager |
| 0.3 Draft | 04/05/18   | Revised to report as a group to allow comparison with 2018    | Strategy and Project Manager |
| 0.4 Draft | 10/05/18   | First draft completed now that the gap has been assessed      | Strategy and Project Manager |
| 0.5 Draft | 14/05/18   | The Education Sector added as a comparator                    | Strategy and Project Manager |
| 1.0 Final | 24/05/18   | Document Signed off as final                                  | CEO & Board of Trustees      |

### Document Review

| Role                    | Review Status       |
|-------------------------|---------------------|
| Chief Executive Officer | Initial peer review |

### Document Sign-off

| Role           | Sign-off Date |
|----------------|---------------|
| Document Owner | 24/05/18      |

