



GENDER PAY GAP AND ETHNICITY PAY GAP REPORT

DRAFT V 1.1

MARCH 2025

Introduction

EFI Group is dedicated to promoting a fair and inclusive working environment. As part of our commitment, we are publishing our first consolidated Gender and Ethnicity Pay Gap report. This report evaluates the pay disparity between men and women, as well as between employees from different ethnic backgrounds within our organisation. The report aims to ensure transparency and foster equal opportunities for all employees.

We are now of a size where the reporting of pay gaps is mandatory and this report has been created using standard metrics for the collation and analysis of pay gaps. Where available, we have also used external benchmarks to help to contextualise the data and drive further insight.

EFI Group comprises four divisions:

- Fashion Retail Academy
- London College of Beauty Therapy
- Education for Industry Training
- Education for Industry Awards

This year, we are presenting a consolidated report based on data for 288 non-zero-hour employees.

EFI Group Current Gender Profile

As is typical within the education sector, we employ a higher proportion of women than men. Our workforce consists of approximately **80% women** and **20% men**. This reflects the broader trend within education, where roles in teaching and student support are often female-dominated.

EFI Group Current Ethnic profile

- 18% of our staff are from Global ethnic majorities.
- 82% of our staff are White.
- The average percentage of employees from Global Majority Heritage groups in the UK workforce is approximately 10%, while in the education sector, it is around 15%.
- EFI Group's ethnic diversity profile is above the national average and the education sector average, making us a more diverse organisation.

Headline findings

The overall mean Gender pay gap is heavily influenced by outlier data such as the CEO's salary, a reduced percentage of women in the top quartile of earnings and bonus data. The Median of 5% lies under the national average which is the more stable of the two data sets.

Women represent 67% of the roles in this group, a small increase in women being recruitment to Manager to Director posts would impact the overall pay gap.

The ethnicity pay gap is aligned with the gender pay gap, showing a consistent pay disparity across diversity measures.

Global Majority Heritage (GMH) leaders: 9.3% vs. sector average of 10%, showing stronger representation than the sector average.

Gender Pay Gap Analysis

Metric	EFI Group Mean	EFI Group Median	Benchmark (if available)	Notes/Analysis
Overall Gender Pay Gap	19%	5%	National (OFNS) Mean = 13% National Median = 7%	The Mean is higher than the national average. This has been impacted by outlier data such as the CEO salary and less women in senior roles.
Academic Staff Pay Gap	20%	-6%	FE colleges Median -15% (last recorded date in 2022)	The disparity here is in part due to a greater percentage of men in Academic leadership (this reflects FE trends). The Median shows a positive gap as it's not impacted by the outliers of the leadership team and the greater number of lecturers are women (79%)
Non-Academic Staff Pay Gap	7%	3%	Public Sector Mean = 6.2% Median = 8%	Our non-Academic team are in line or below the national average. The largest gap is at the manager pay band (6.5%). This still sits below the national average.
Leadership pay gap (Manager to SLT – excluding CEO)	1%	-4%	National (OFNS) Median 9.8%	EFI group have a higher percentage of women in leadership (66%) and have a positive gender pay gap. Increased recruitment will reduce the overall gap.

Gender Profile

As in many educational institutions, women make up 80% of the workforce, reflecting the prevalence of female employees in teaching and student support roles. Men account for 20% of the workforce.

Quartile	% Female	% Male
Top Quartile (Highest earners)	67%	33%
Upper Middle Quartile	86%	14%
Lower Middle Quartile	85%	15%
Bottom Quartile (Lowest earners)	81%	19%

The gender representation increases in the lower and middle quartiles, while the top quartile has a more balanced distribution. This mirrors national trends in education where men are overrepresented in senior roles.

Gender Pay Gap by Quartile

Quartile	Mean Pay Gap	Median Pay Gap
Top Quartile (Highest earners)	16%	11%
Upper Middle Quartile	-0.5%	-4.1%
Lower Middle Quartile	-1%	-2%
Bottom Quartile (Lowest earners)	1%	2%

Bonus Pay Gap

- 23% of bonuses were awarded to men.
- Mean Bonus Gap: 80%, primarily driven by bonuses awarded in senior roles held predominantly by men.
- Median Bonus Gap: 85%.

The bonus are a combination of discretionary, based on annual targets and organisational outcomes and in the case of LCBT performance related. They heavily impact the overall gender pay gap due to them being primarily given to SLT and drive-up outlier data. The use of bonus's should be reviewed to address parity across the whole organisation.

Pay Gap by Role

Role	Mean Pay Gap	Median Pay Gap
Assistant	-5%	-10%
Coordinator	5%	0%
Manager	10%	5%
Director	20%	15%
Lecturers	-1%	0%

Ethnicity Pay Gap Analysis

Metric	EFI Group Mean	EFI Group Median	Benchmark (if available)	Notes/Analysis
Overall Ethnicity Pay Gap	19%	16%	Higher Education – Median = 5.2%	Our Diversity Pay gap is in line with our Gender pay gap (Mean) with a larger median. It is out of line with the HE benchmark however clear areas have been isolated that will improve future results.
Global Majority Heritage Representation in Leadership	3.4%	9.3%	10% GMEG, 90% White (Sector Avg.)	We have stronger representation in leadership roles than the national average, and this is reflected in the lower pay gap in this area. 18% Global Majority Heritage, 85% White
Global Majority Heritage Academic Staff Pay Gap	7.2%	10.6%		Both the Mean and Median sit under the national average. Most roles in this area are lecturers where there is a nominal pay gap.
Global Majority Heritage Non - Academic Staff Pay Gap	22%	14%	13% Mean National statistics	Our biggest gap sits within non academic staff. This area also has the highest representation at 38%. The greatest proportion of Global Majority Heritage staff are within student service - delivery and admin posts. These roles have less progression and a lower length of service.

Ethnicity Pay Gap

EFI Group's workforce is **18%** from Global Majority Heritage backgrounds, with **82%** White. This is higher than national averages in the UK workforce (10%) and the education sector (15%).

Ethnicity Profile

As in many educational institutions, women make up 80% of the workforce, reflecting the prevalence of female employees in teaching and student support roles. Men account for 20% of the workforce.

Quartile	% Global Majority Heritage
Top Quartile (Highest earners)	24%
Upper Middle Quartile	50%
Lower Middle Quartile	46%
Bottom Quartile (Lowest earners)	50%

Pay Gap by Quartile

Quartile	Mean Pay Gap	Median Pay Gap
Top Quartile (Highest earners)	3%	4%
Upper Middle Quartile	1.5%	0%
Lower Middle Quartile	1%	0%
Bottom Quartile (Lowest earners)	5%	2.5%

Pay Gap by Role

- **Administrative and Delivery Roles:** More heavily occupied by Global Majority Heritage staff, contributing to the pay gap.
- **Management and Senior Roles:** Dominated by White employees, exacerbating the pay gap at higher levels.

Analysis of both Gender and Ethnicity Pay Gaps

- **Gender Pay Gap:** The median gender pay gap at the institution is currently at 5%, which is below the national average of 7%. Within the top quartile the greatest disparity is within senior academic roles (PM – Head of Service), managers and lecturers.
- **Ethnicity Pay Gap:** The ethnicity pay gap stands at 19% and is greatest within top quartile and the lower. The top quartile is linked to representation however salary reviews are needed into why staff in the lower quartile who represent 50% of the workforce have a mean gap of 5%.
- **Ethnicity Pay Gap, Lower salary roles:** Looking at the overall retention within these roles would support Global Majority Heritage employees, as they represent a significant number of employees by increasing their retention, we can then progress them via development and training plans to more senior roles.
- The disparity is more significant in senior academic roles, indicating that there is work to be done to support staff progression into leadership positions. Strengthening mentorship programs and career development for Global Majority Heritage employees could help reduce this gap.
- **Role-Based Disparities:** Academic roles show at FE a small pay gap (primarily linked to LCBT's lower salaries), however further work is needed to balance pay at senior academic levels and to bring more women into Academic leadership. Mentoring programmes and funded training that support women and Global Majority Heritage employees develop into management would impact the gap.
- **Managerial Gap:** The gap at Manager level is impacted by outlier salaries such as IT management and the Clerk to the board. The top 3 male Managers earn on average £30.98 per hour whilst the top 3 women's salaries are £26.50. Creating a strategy to bring more women into IT roles through targeted recruitment and apprenticeships would impact this in the long term. Ensuring clear salary benchmarking that reflect across departments and specialisms would also reduce this.
- **Institutional Pay Gap:** As an organisation we need to address the gap by focusing on key areas of where the gap is more prevalent. Clear and structured salary bands create less room for disparity and need to be managed to ensure outliers don't impact the overall statistics.

Conclusion

The gender and ethnicity pay gap analysis highlights progress in several areas while also identifying key opportunities for improvement. Notably, the median gender pay gap at 6% is lower than the national average, reflecting a positive shift towards a more equitable pay structure. Additionally, the representation of Global Majority Heritage leaders at 9.3% surpasses the sector average, showing that diversity is already a strong focus within leadership roles.

However, there is still room for growth. The gender pay gap shows issues with female progression within the academic leadership team and specialist management roles while the ethnicity pay gaps, highlights work to be done at senior leadership levels and within low level delivery support and administrative roles. Actions to close these gaps can have a significant impact in closing the gap in the future.

The below recommendations need to be reviewed with SLT and the board to agree next steps.

Recommended Actions:

1. **Increase Recruitment of Women in Senior Roles:** Targeted recruitment initiatives to attract more women to managerial and director roles would help reduce the gender pay gap, especially in the upper quartiles. This can be achieved through mentorship, leadership training, and promoting more women into STEM and technical fields like IT.
2. **Support for Global Majority Heritage Employees:** Strengthen mentorship and career development programs to support the progression of Global Majority Heritage employees, particularly into leadership roles. This could include offering funded training and tailored development plans that align with career advancement goals.
3. **Review and Revise Bonus Allocation:** Given the significant impact of bonuses on the overall gender pay gap, it is essential to reassess how bonuses are awarded. Ensuring that bonus structures are equitable across all levels of the organisation will prevent further disparity, particularly by reducing the concentration of bonuses at the senior leadership level.
4. **Develop Targeted Training for Women in IT and Technical Roles:** The pay gap within managerial positions, particularly in IT, can be reduced by targeting recruitment and development initiatives for women in these areas. Providing training, apprenticeships, and clear career pathways into IT and other male-dominated sectors will help level the playing field.
5. **Introduce Clear Salary Benchmarking:** Implementing clear, structured salary bands across departments and specialisms will minimize the impact of outliers and create a more consistent and equitable pay structure. Regular salary reviews, alongside benchmarking against national standards, will ensure that disparities are addressed proactively.

By focusing on these targeted actions, EFI Group can continue to reduce its diversity pay gap, create a more inclusive workplace, and position itself as a leader in equitable pay practices.

Notes for the reader

Understanding Pay Gaps

It's important to recognise that a gender or ethnicity pay gap does **not** mean that employees are being paid unequally for doing the same job. Instead, it reflects the composition of our workforce and the types of roles occupied by different groups.

Gender Pay Gap Drivers:

- We have a higher proportion of women working in all roles but this decreases within leadership, managerial or technical roles.
- Women are more likely to work part-time due to caregiving responsibilities, which can limit opportunities for promotion and progression. Women also are more likely to leave the workplace as they are at the point, they would be applying for more senior posts.
- Senior leadership roles, which carry higher salaries, are still more likely to be held by men—a trend seen across the education sector and the wider labour market.

Ethnicity Pay Gap Drivers:

- Ethnic minorities are underrepresented in senior and strategic roles.
- Unconscious bias in recruitment and promotion decisions can affect access to high-paying roles.
- Ethnic minority staff are more likely to work in operational or student-facing roles, which tend to have lower pay bands.

Intersectionality:

- Women from Global Majority Heritage backgrounds often face combined challenges in progression and representation, contributing to a larger gap at more senior levels.

These patterns are consistent with national trends. The Office for National Statistics (ONS) reported that the UK gender pay gap was **13.8%** in 2023, with the gap widening at higher levels of seniority. Similarly, data from the Higher Education Statistics Agency (HESA) indicates that ethnic minority staff remain underrepresented in senior leadership roles across the education sector.

Sector and Industry Context

It's important to place our data in the context of broader industry trends. Research consistently shows that:

- The gender pay gap persists across the education sector due to occupational segregation and unequal representation in leadership.
- Ethnicity pay gaps reflect historical and structural barriers to career progression, including unequal access to networking and mentoring opportunities.
- Intersectionality—where gender and ethnicity combine—creates additional challenges for women from ethnic minority backgrounds in securing senior roles and higher pay.

Our data reflects these well-documented patterns. While this is not an issue unique to our organisation, we remain committed to understanding the root causes and taking meaningful steps to address them.

Our Commitment

We view this report as a valuable opportunity to build on the positive progress we have already made in improving diversity and inclusion. Our action plan sets out targeted steps to:

- Increase representation of women and ethnic minorities at senior levels.
- Ensure equitable access to promotion and development opportunities.
- Review recruitment and pay structures to eliminate potential biases.
- Strengthen mentoring and sponsorship initiatives to support career progression.

By taking thoughtful and data-driven action, we aim to ensure that all team members—regardless of gender or ethnicity—can thrive and succeed at every level of our organisation.

