



# **House of Commons pay gap report 2021**

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# **Forewords by the Clerk and the Director General (Operations) of the House of Commons**

Reforming and improving the culture of the House of Commons is a long-term goal for the House Service. That is why for the third year running, we are voluntarily publishing our ethnicity pay gap figures alongside our gender pay gap data.

Transparency drives accountability, and these figures provide both a benchmark for success and a reminder of how much there is still to do to ensure our workforce is inclusive and fair. We are proud once again to report one of the lowest gender pay gaps in the public service, with our mean gender pay gap of -0.2% now slightly in favour of women and our median gap remaining unchanged from last year at 0.9%.

Our Ethnicity pay gap is still far too high. In comparison to last year's published figures, there has been a decrease in the average (mean) gap of 0.7 percentage points and an increase in the median gap of 0.8 percentage points.

Here, we still have a long way to go, but we are taking steps to address this problem, including the development and delivery of the Pathway to Success leadership and development programme, the introducing of ring-fenced places for Black, Asian and minority ethnic colleagues on our Connected Leadership programme and providing mentoring, shadowing, and coaching opportunities to promote progression into senior roles. We have also developed new diversity and inclusion training and workshops and have will work on a series of new talent and pipeline actions following our Inclusive Recruitment Review. All of this work is feeding into the next Corporate Diversity and Inclusion Strategy launching later this year.

Ensuring Parliament is an inclusive workplace where everyone can thrive will always be our goal, and we continue to take action to achieve this.



**John Bengier**

Clerk of the House of Commons

It is important we recognise the progress we have made in our Gender Pay Gap. This Women's History Month myself and other women who work across Parliament have shared experiences from our careers in the hope of encouraging continued conversation in this space. We mustn't be complacent.

We will continue to strive to make progress on our Ethnicity Pay Gap, which is a key priority for us. We have set out in detail how we're going to ensure this happens, as we continue the work started the Clerk's Black, Asian and Minority Ethnic Advisory Group into the new Diversity and Inclusion Strategy.

Each of us should use this report to reflect on our progress with our teams, as we work together to ensure Parliament is a great place to work for everyone.



**Marianne Cwynarski**

Director General (Operations) House of Commons

## **Background**

At the House of Commons, we aim to provide a positive, inclusive working environment where people are valued for the skills and experience that they bring to work. Our aim is to be representative of the society we serve. This means making Parliament more accessible, diverse, and free from discrimination. Our Diversity and Inclusion Strategy outlines how we plan to achieve this. This includes steps we are taking to improve equality and reduce or eliminate our pay gaps.

This is the fifth time the House of Commons Service has published a full report on its gender pay gap (GPG) data, and the third time we have published, on a voluntary basis, our ethnicity pay gap (EPG) data, showing pay gap data between white and Black, Asian and minority ethnic (BAME)<sup>1</sup> colleagues.

We believe transparency drives accountability, and EPG reporting is an important step towards ensuring our workforce is diverse, inclusive and fair for everyone. We employ over 2,600 people across a huge range of specialisms – from carpentry specialists, cleaners and clerks to researchers, baristas and locksmiths – and are committed to ensuring equality at all levels.

### **What is a gender pay gap?**

The gender pay gap is the difference between the average earnings of men and women, expressed relative to men's earnings. Organisations are required to publish:

- Mean<sup>2</sup> gender pay gap (%)
- Median<sup>3</sup> gender pay gap (%)
- Proportion of males and females in each quartile band (%)
- Mean bonus pay gap (%)
- Median bonus pay gap (%)
- Proportion of males and females receiving a bonus payment (%)

If an organisation has a particularly high GPG, this can indicate a number of concerns, and the individual calculations may help to identify what those issues are. The GPG is different to equal pay. Equal pay deals with the pay differences between men and women who carry out the same jobs, similar jobs, or work of equal value. It is unlawful to pay people unequally because they are a man or a woman.

GPG regulations require the House of Commons to report using data based on a 'snapshot' of relevant employees taken on 5 April 2021. At the time the data below was collected, the gender divide amongst our staff was 45.9% women and 54.1% men.

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<sup>1</sup> BAME – Black, Asian and other Ethnic Minorities. The Administration currently uses the acronym 'BAME' to produce headline data in line with comparative data sets. The Administration recognises the breadth of cultural differences within this grouping and future reporting regarding the breakdown of the ethnicities under the umbrella term may be required.

<sup>2</sup> The "mean" is the average of a set of numbers.

<sup>3</sup> The "median" is the middle number in a list of numbers ordered from smallest to largest.

## **What is the ethnicity pay gap?**

The ethnicity pay gap is the difference between the average earnings of white and Black, Asian and minority ethnic staff, expressed relative to the earnings of white staff.

Our EPG calculations are based on the same methodology as the GPG calculations. However, if reporting becomes mandated it may require us to report differently in the future. Our overall response rates for ethnicity on the 'snapshot' date were high, at 80.1% so we have confidence in the accuracy of our data. However, response rates do vary across teams.

## Key Figures

### Proportion of female and male employees

	Male	Female
All staff	54.1%	45.9%
Most senior staff (SCS) only	55.2%	44.8%

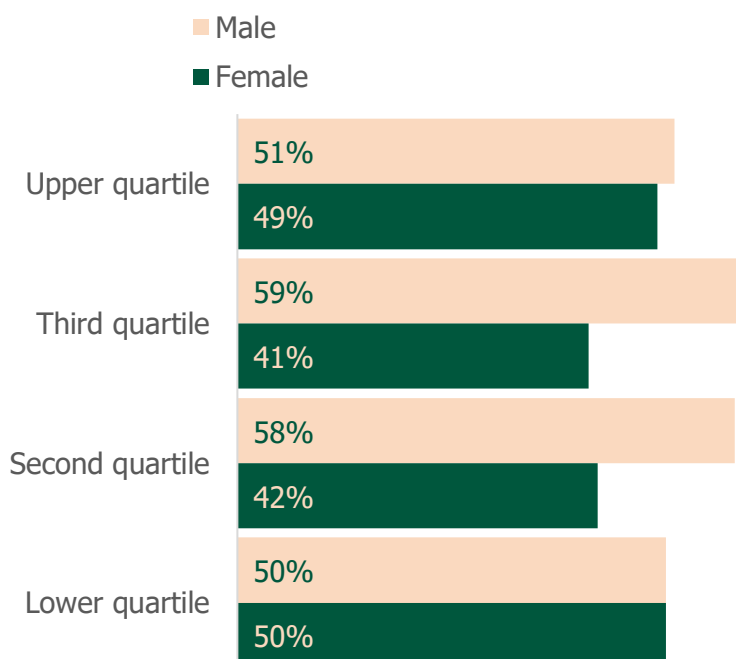
### Proportion of white and BAME employees

	White	BAME
All staff	76.4%	23.6%
Most senior staff only (pay bands SCS and A) <sup>4</sup>	89.3%	10.7%

### Hourly pay gap

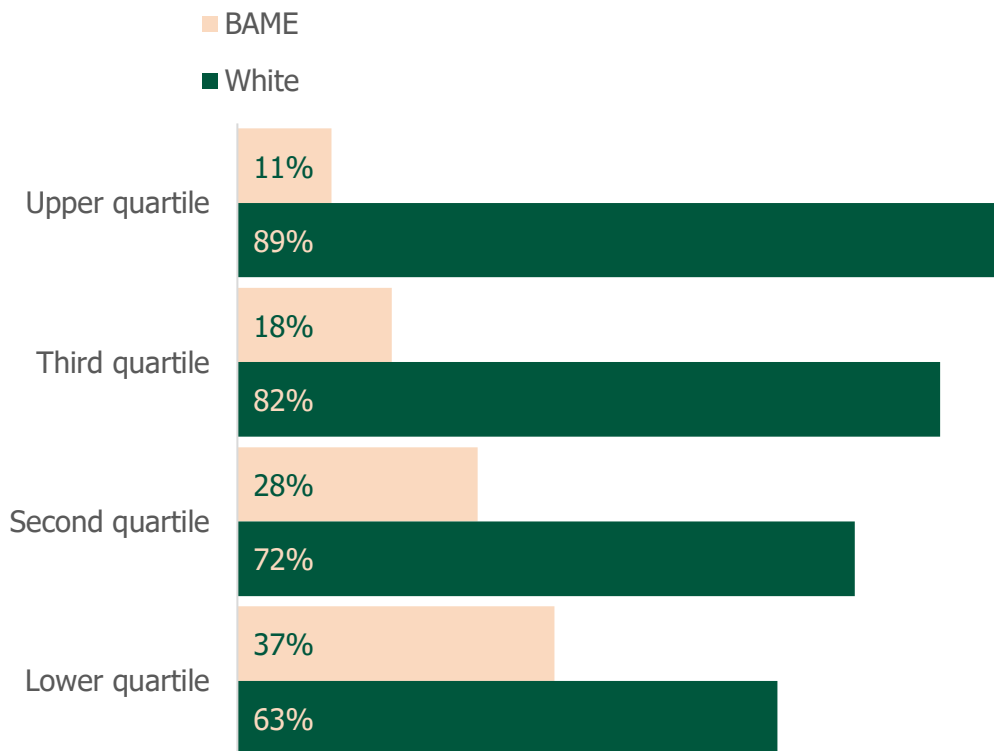
	Mean	Median
GPG	-0.2%	0.9%
EPG	19.2%	13.2%

### Percentage of males and females in each pay quartile



<sup>4</sup> We have combined pay bands SCS and A so that individuals cannot be identified.

## Percentage of white and BAME people in each pay quartile



## Bonus pay gaps

	Mean	Median
GPG	22.0%	0.0%
EPG	11.7%	0.0%

## Proportion receiving a bonus<sup>5</sup>

Male	Female
38.1%	24.8%

White	BAME
31.1%	39.6%

<sup>5</sup> An explanation of the proportion of bonuses is given in the 'Explanation of the reason for pay gaps' section below.

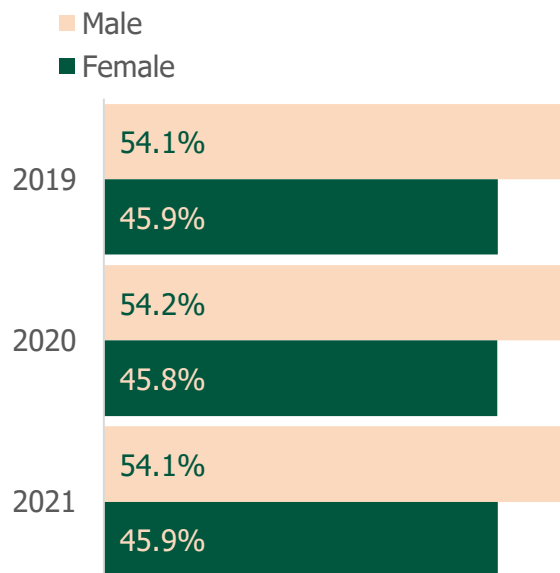


# House of Commons Pay Gap Data

At 5 April 2021, House of Commons employed a total of 2,595 employees, of which 95 were SCS staff<sup>6</sup>.

## Proportion of female and male employees

Compared with 2019 the proportion of female employees is unchanged, at 45.9%. This is slightly lower than the proportion of both the London economically active population (46.9%) and UK economically active population (47.7%)<sup>7</sup>.



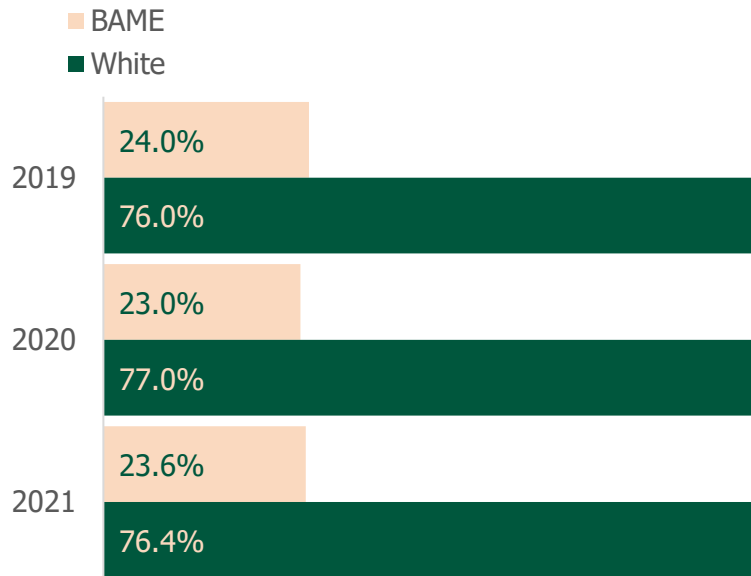
## Proportion of white and BAME employees

Since 2020 the proportion of Black, Asian and minority ethnic employees is broadly unchanged at 23.6% (as a proportion of those who shared their data). This compares with 37.2% of the economically active population in London and 13.7% in the UK<sup>8</sup>.

<sup>6</sup> For the purposes of gender pay reporting, the definition of who counts as an employee is defined in The Equality Act 2010. Using this 'extended' definition ('full pay relevant employees') and a 'snapshot date' of 5 April means that there is some inconsistencies compared with data in our annual Diversity Monitoring reports.

<sup>7</sup> Source: Annual Population Survey, ONS, Oct 2020-Sep 2021, via [nomisweb.co.uk](https://nomisweb.co.uk)

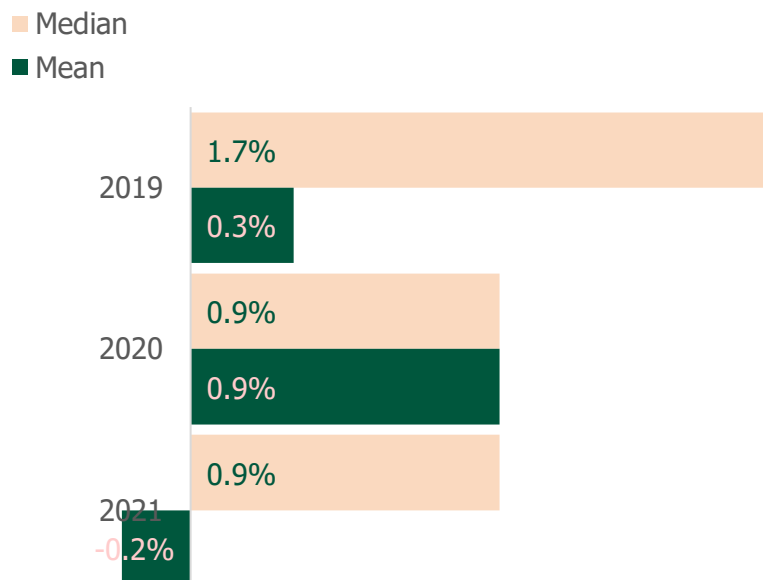
<sup>8</sup> Source: Annual Population Survey, ONS, Oct 2020-Sep 2021, via [nomisweb.co.uk](https://nomisweb.co.uk)



## Hourly pay

### Gender Pay Gap

The mean GPG (the difference between men's and women's average hourly pay) is -0.2% (0.9% in the 2020 report) and the median GPG is 0.9% (unchanged from the 2020 report).



In comparison to last year's published figures, there has been no change in the median pay gap with the mean pay gap now slightly in favour of women – a swing of 1.1% from the previous year.

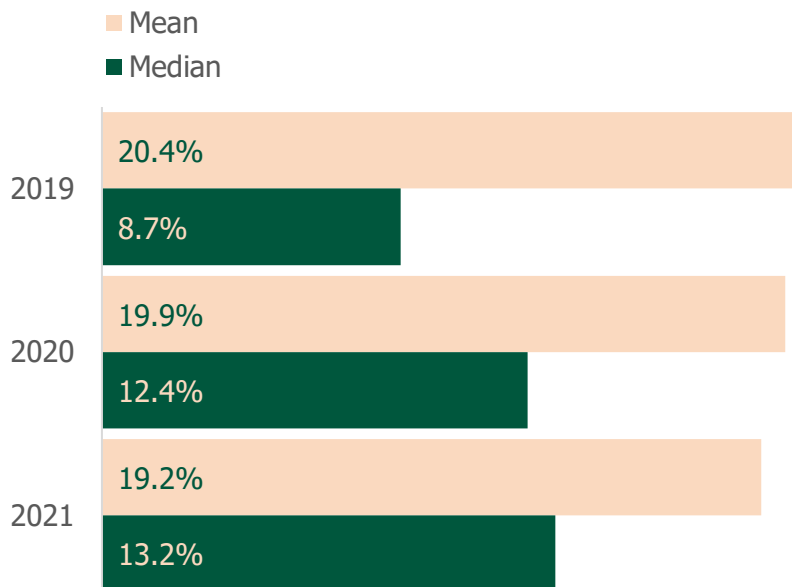
The House of Commons median GPG figure compares very favourably with the UK 2021 median GPG of 15.4%<sup>9</sup> and the Civil Service’s overall median GPG of 8.1%.<sup>10</sup>

## Ethnicity Pay Gap

The EPG mean pay gap (the difference in average hourly pay of Black, Asian and minority ethnic and white people) is 19.2% (19.9% in 2020) and the median EPG is 13.2%. (12.4% in 2020).

In comparison to last year’s published figures, there has been a decrease in the average (mean) gap of 0.7% and an increase in the median gap of 0.8%.

The latest ONS figures (2019)<sup>11</sup> shows London to have a median EPG of 23.8% and England and Wales to have a median EPG of 2.3%.



## Hourly pay quartiles

The hourly pay quartiles data shows the proportion of: i) men and women; and ii) white and Black, Asian and minority ethnic people that are in each pay quartile, when we arrange staff in order of hourly pay rate.

<sup>9</sup> [Gender pay gap in the UK - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk)

<sup>10</sup> <https://www.gov.uk/government/statistics/civil-service-statistics-2021>

<sup>11</sup> Source: ONS Ethnicity pay gaps: 2019, 12 October 2020 (the headline measure for the ethnicity pay gap uses Annual Population Survey data).

## Gender

There is a slight fall (-2%) in the percentage share of women in the lower quartile compared with 2020, partially offset by an increase (1%) in the percentage share of women in the second quartile.

### **% point change of females in each pay quartile: 2020 to 2021**

Quartile	% point change
Upper quartile	0%
Third quartile	-1%
Second quartile	1%
Lower quartile	-2%

## Ethnicity

The EPG figures shows that the under-representation of Black, Asian and minority ethnic people progressively increases – quartile to quartile - from the lowest to the highest quartile.

There is an increase in the percentage share of Black, Asian and minority ethnic staff in the upper quartile and lower quartiles compared with 2020.

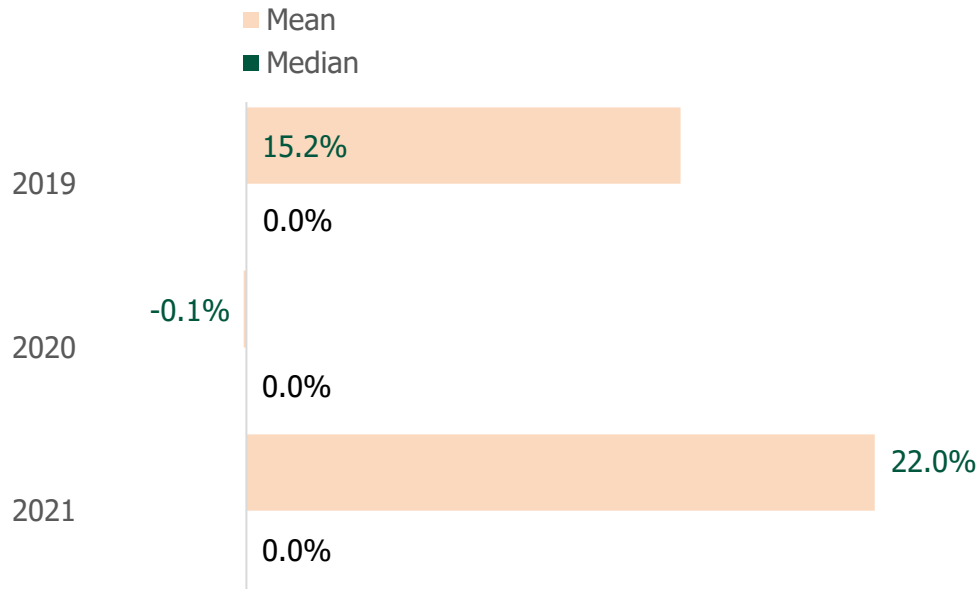
### **% point change of BAME employees in each pay quartile: 2020 to 2021**

Quartile	% point change
Upper quartile	2%
Third quartile	0%
Second quartile	0%
Lower quartile	1%

## Bonus Pay

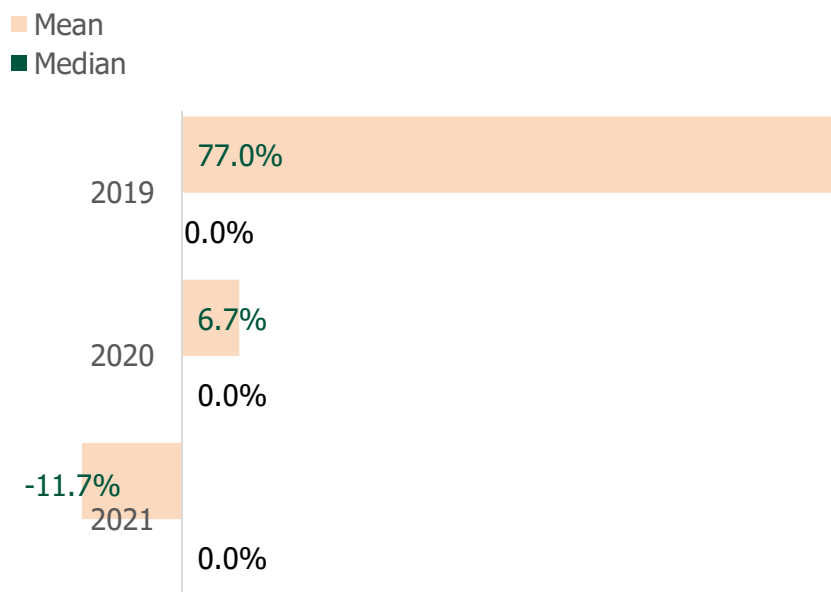
The bonus gap is based on the gross bonus paid in the period from 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2021.

Our mean gender bonus gap is 22.0% in favour of men and the median gap is 0%.



## Bonus ethnicity pay gap

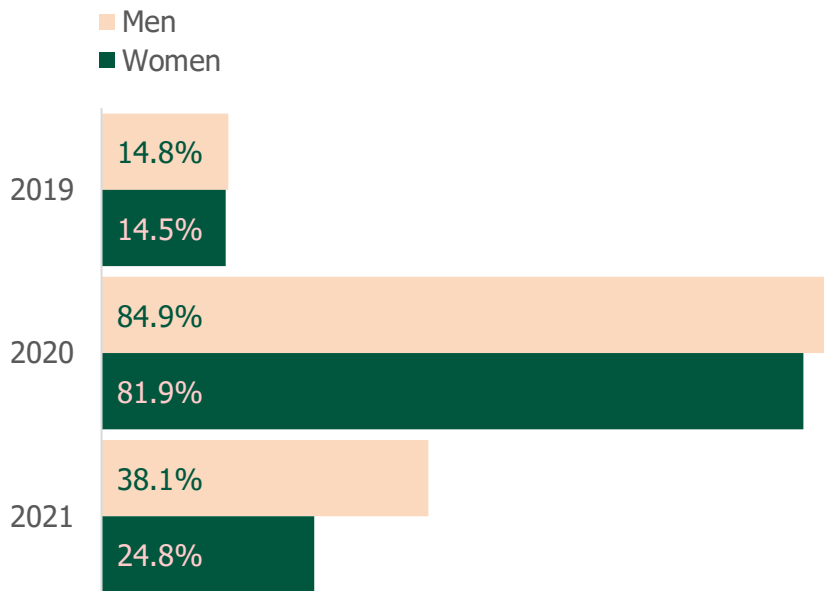
There is no median ethnicity bonus gap, and the mean ethnicity bonus gap has switched from 6.7% in favour of men in 2020 to 11.7% in favour of women in 2021.



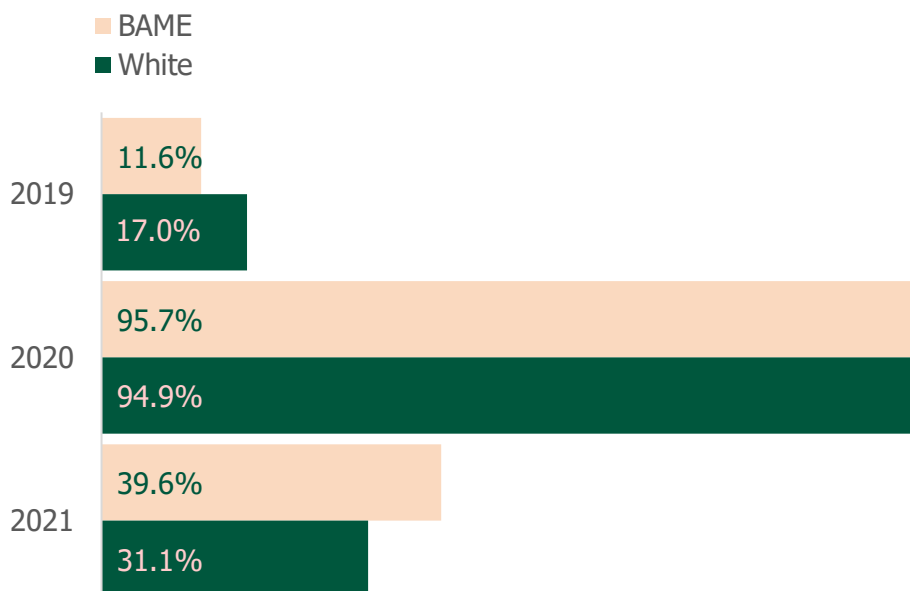
## Proportion receiving a bonus: Gender

In the 12 months prior to the snapshot date, 24.8% of women received a bonus compared to 38.1% of men. There was a significant decrease in the number

receiving a bonus for both genders, 57.1 ppts<sup>12</sup> fewer for women and 46.8 ppts more for men compared with the previous 12 months.



### Proportion receiving a bonus: Ethnicity



In the 12 months prior to the snapshot date, 39.6% of Black, Asian and minority ethnic staff received a bonus compared to 31.1% of white staff. There was a significant decrease in the number receiving a bonus for both groups, 56.1 ppts more for Black, Asian and minority ethnic staff and 63.8 ppts more for white staff compared with the previous 12 months.

<sup>12</sup> A percentage point (ppt) is the unit for the arithmetic difference of two percentages.

# Explanation of the reason for pay gaps

## Ordinary Pay

**GPG** figures shows broad parity in pay between men and women continues, with the House having one of the lowest gender pay gaps in public service. However, differences across groups exist, which should be investigated further.

A significant driver of the **EPG** is a simple structural reason: we still have too few Black, Asian and minority ethnic colleagues in senior roles. However, a simple comparison between white and ethnic minority groups masks a variety of experiences among different ethnic minorities and future disaggregation of EPG data will shine a light on the nuances and outcomes for different groups, and any gaps between policy and practice that may contribute to pay gaps.

An across the board pay increase for all staff in 2020, together with modest pay increases for only our lowest paid in 2021, have contributed to a relative lack of movement in our pay gaps over the past couple of years, as has a relatively static workforce during the COVID-19 pandemic. Moreover, House initiatives that are intended to help tackle our pay gaps (covering culture; diversity and inclusion; pay; talent pipeline and progression; training and support, etc) are unlikely to deliver significant improvements in closing the EPG during the current planning period.

Ethnicity involves self-reporting, although overall ethnicity declaration response rates are high (80.2%) there are differences across teams, and we may need to drive response rates in some areas to maintain the quality of data.

## Bonuses

Our data on **bonus payments** is more complex as the data includes a variety of one-off payments which may not traditionally be considered 'bonuses'. These include recognition awards (including £25 vouchers<sup>13</sup> awarded to staff for good work and a £250 on-site working payment which was a financial contribution towards travel costs for those regularly working on-site during the peak of the COVID-19 pandemic – paid in September 2020). With effect from 2019/20, bonuses were no longer a feature of SCS pay, which impacts upon bonus pay gap figures from April 2021 onwards<sup>14</sup>.

The change in the mean bonus gap compared with 2020 figures is attributed to the ending of bonuses for SCS staff and the respective gender and ethnicity profiles of those who received the £250 on-site working payment.

The large discrepancy between mean and median bonus percentages for both gender and ethnicity is because the mean figure has been significantly affected by

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<sup>13</sup> To increase to £50 w.e.f. August 2021.

<sup>14</sup> Previously, to give a more accurate picture of the GPG relating to bonuses paid as a result of good performance, the House has disclosed information about the gender bonus pay gap for senior (SCS) House staff.

outliers, specifically the allocation of onsite bonuses to a greater proportion of Black, Asian and minority ethnic and/or male staff.

The decrease in the proportion of staff receiving a bonus for both gender and ethnicity is attributed to the across-the-board £250 one-off payment for staff made in the previous year.



# **What steps are being taken to address these figures?**

## **Introduction**

Transparency and a commitment to reporting all pay gaps within the House is a first step to tackling pay gaps. This will help us deliver a culture that is “diverse, inclusive and fair” and the following activities are key:

- Taking steps to evaluate the various reasons why we have pay gaps
- Using data insights to inform action and drive better outcomes
- Targeting of actions throughout the employee lifecycle (recruitment/ pay progression/ promotion – supported by transparency over pay)
- Leadership oversight/sponsorship to maintain accountability and momentum

Recognising that there is still more to be done to reach gender pay parity and address the inequality experienced by Black, Asian and minority ethnic staff, the House has made a clear commitment to providing a positive, inclusive working environment, introducing a number of new initiatives to tackle racism and reduce inequality – which is supported by both the Diversity & Inclusion Strategy, 2019-22 and HR Strategy & Delivery Plan, 2020-25.

## **Priority areas of Focus**

Our current priority areas of focus are set out below:

### **Training and support**

Our targeted and bespoke development programmes demonstrate commitment from the business, increases visibility of our diverse talent and provide more opportunities for development.

Diversity and inclusion will continue to form a key part of our management and leadership programmes, which include:

- Development and delivery of the “Pathway to Success” leadership and development programme
- The introduction of a new Connected Leadership programme with active promotion of participant places for women and Black, Asian and minority ethnic staff
- Providing access to mentoring (including some targeted reciprocal mentoring), shadowing and coaching to encourage and promote progression into senior roles

We have also introduced suite of workshops for managers and/or staff including:

- Diversity and Inclusion training, including inclusive leadership
- Bitesize sessions on different inclusion topics, including ‘understanding effective allyship’ and ‘conversations about race’, etc

- Valuing everyone training
- Coaching
- Getting recruitment right

These extend and support learning and development on equality training and diversity. Distribution of learning and development opportunities will also be monitored to ensure that women and Black, Asian and other Ethnic Minorities get their fair share.

### **Talent pipeline and progression**

Following the findings of our Inclusive Recruitment Review, we will continue to take forward our resourcing strategy which recognises the importance of diverse teams, and aims to bring together inclusive recruitment practices to deliver the right solutions for the House. The continuation of our recruitment policy specifically for senior staff of the default commitment to external recruitment will also ensure that we are targeting a diverse recruitment market to appoint to these key roles and to require both diverse panellists and shortlists.

Enablers have been introduced to support our resourcing strategy, including:

- Publication of our first Recruitment and Selection Policy and Procedure, bringing together all House recruitment policy and practice into a single place
- Introduction of a Recruitment toolkit to provide a one-stop support at each stage of the process
- Simplification of the recruitment process (for example, greater use of CVs) and ensuring our advertising channels reach a diverse audience
- Development of a tool which captures diversity data for job applicants

In the wake of the Black Lives Matter movement, a cross house group – the Clerk’s BAME Advisory Group - was established to tackle racism and reduce inequality. The group advised regarding focused workstreams on recruitment, retention and progression, as well as employer brand, monitoring actions and progress.

We will continue to work towards diversifying our graduate scheme cohorts, and to deliver our apprenticeship schemes.

### **Inclusive working environment**

Since 2019, the House Service has been working hard to bring to life its new values of inclusive, courageous, trusted and collaborative. In addition to the measures described elsewhere in this report, we have over the past year:

- As part of our response to the 18-month review of the Independent Complaints and Grievance Scheme, made our processes and support services for those experiencing bullying, harassment and sexual misconduct more accessible to communities across Parliament. We also introduced new guidance to support managers to exercise their duty of care towards staff.

The proportion of staff agreeing they are able to challenge inappropriate behaviour increased by 6 percentage points between 2020 and 2021.

- Introduced a Guardians network and increased the size of our Voice Champions network, with a particular increase in recruitment from our estate-based community, as a way of giving more voice to our staff.
- Saw an increase in staff recognised via our Living our Values Awards, particularly amongst the estate-based community.

In relation to the pay gaps, we will continually develop and promote a range of career support and flexible working options, including part-time working, that are open to all, not just those with caring responsibilities. New technology and ways of working has further improved the ability of our desk-based staff to work more flexibly and allowed us to respond to the Covid-19 pandemic in an agile and flexible way (now supported by our hybrid working trial).

We have been celebrating and promoting the diversity of the workforce, supporting leadership behaviours which promote equality for all our colleagues. Work has been ongoing to improve the experiences of our women, estate-based Community and our disabled colleagues. We are also:

For our women colleagues:

- Ensuring the hybrid working trial supports gender equality and our career break returner programme is supporting employees after career breaks, (This is expected to help women who have taken time out to bring up children or for other caring responsibilities).

For our Estate- based Community we are:

- Improving access to career development and training opportunities
- Rolling out 500 digital devices across the estates-based community (supported roll out with skills/audit and training and logistics)
- Ensuring time is allocated to within working time for engagement, learning and development

For our Black, Asian and minority ethnic colleagues we are:

- Taking action to ensure Coach and Focus, the House service's approach to performance management, is monitored through an anti-racist lens. The risks identified with it are escalated to the Learning and Organisation Development (L&OD) team, particularly the risk of unconscious bias in all stages of manager insight.
- Ensuring greater use of data to influence decision making and policy. As our data reporting mechanisms mature, it will be used help advise policy decisions, including how the organisation recruits, promotes and develops colleagues into and within the House.

We have also published blogs aimed at inspiring women and Black, Asian and minority ethnic colleagues in professional roles, and supporting national campaigns such as International Women’s Day and Black History month.

Other achievements related to inclusion include:

- Achieved Disability Confident Leader status
- Disability awareness month activities
- Effective in providing workplace adjustments to colleagues across Parliament who have a health condition or disability that may require an adjustment
- Bicameral trans inclusion guidance issued
- Introduced socio-economic background diversity monitoring questions bicamerally
- Developed a new access video on the Visit Parliament pages of Parliament’s website
- Signed up to the Race at Work Charter, with its actions designed to ensure ethnic minority employees are represented at all levels.
- Added ParliCare to our active Workplace Equality Networks (WENs)
- Widened access to Parliament measures

## **Pay and reward**

We are continuing to take action to ensure that our pay and reward systems and structure have equality and inclusion at their core, including conducting regular equal pay audits and making sure our job evaluation system and pay structures are unbiased.

The House’s pay and reward policies will be progressively modernised and harmonised by 2025, starting with changes to enable greater flexibility in pay awards with higher percentage increases for those lower in pay ranges (greater numbers of Black, Asian and minority ethnic staff are in the lower in the pay range so it is anticipated this will support a reduction in the ethnicity pay gap).

We will look through an equality lens to consider impact upon different groups of staff as part of pay reform. We will also take steps to ensure that our staff understand their pay and how the pay system works, supported by planned simplification of our pay systems and how they operate - improving transparency of these and the basis upon which decisions are made.

A more robust moderation and challenge process for higher starting salaries and other pay flexibilities was introduced in 2021 which has helped ensure that pay flexibility decisions are fair, consistent and evidence-based – supported by the use of impartial pay benchmarking data, where appropriate.

We are also in the process of procuring an online employee benefits framework that will provide greater flexibility in how we deliver our benefits. Staff will have access to the platform and will be able to choose from a number of discounts on goods and services, reflecting different personal needs.

## **Data and transparency**

Corporate people data dashboards has been introduced to support decision making. Data disaggregated by ethnic group is also reported regularly and used to inform future work.

Data tracking has also been introduced to examine end-to-end recruitment and selection process. This will allow us to look at data trends and drives focused positive action.

Supporting the drive for pay parity, we have benchmarked our achievements against the UK working population. We have also set stretching targets for completion rates for diversity monitoring data - improved declaration rates on ethnicity will give us a more accurate picture of our challenges and areas where we need to target action.

We will also look to provide more granularity to our ethnicity pay gap data – breaking down the grouping of minority ethnic people. We will be doing further investigatory work into the pay gap to determine whether further targeted actions within teams are also necessary.