

Parliamentary Digital Service pay gap report 2021

Table of Contents

| | |
|--|-----------|
| Foreword from David Smith | 3 |
| Background | 4 |
| What is a gender pay gap?..... | 4 |
| What is the Ethnicity pay gap? | 5 |
| Key Figures | 5 |
| Proportion of female and male employees..... | 5 |
| Proportion of white and BAME employees..... | 5 |
| Hourly pay gap..... | 5 |
| Percentage of males and females in each pay quartile..... | 6 |
| Percentage of white and BAME people in each pay quartile | 6 |
| Bonus pay gaps | 7 |
| Proportion receiving a bonus..... | 7 |
| Parliamentary Digital Service Pay Gap Data | 8 |
| Proportion of female and male employees..... | 8 |
| Hourly pay | 9 |
| Gender Pay Gap | 9 |
| Ethnicity Pay Gap | 10 |
| Hourly pay quartiles | 11 |
| Gender..... | 11 |
| % point change of females in each pay quartile: 2020 to 2021 | 11 |
| Ethnicity..... | 11 |
| % point change of BAME in each pay quartile: 2020 to 2021 | 11 |
| Bonus Pay | 12 |
| Bonus gender pay gap | 12 |
| Proportion receiving a bonus: Gender | 12 |
| Bonus Ethnicity pay gap..... | 13 |
| Proportion receiving a bonus: Ethnicity..... | 13 |
| Explanation of reasons behind the pay gaps | 15 |
| What steps are being taken to address these figures? | 17 |

Foreword from David Smith

As Managing Director of the Parliamentary Digital Service (PDS), I am pleased to publish the gender and ethnicity pay gap figures for 2021. This is our fifth year reporting our gender pay gap data since statutory requirements were introduced in 2017. We are also publishing our ethnicity pay gap (EPG) on a voluntary basis for the third year running.

We are committed to building a team at PDS that is inclusive, diverse and welcoming. We are part of Parliament, and our aim is to be representative of the society that we serve. And while we are making progress towards this goal, our gender and ethnicity pay gap data shows that this may not be as straightforward or as quick as we would hope.

The PDS workforce was 458 people during this reporting year, and this relatively small number means that there will always be some variation in our pay gap data each year. In 2021, our gender pay gap (GPG) figures continue to be close to parity. However, the small increase since 2020 shows that we cannot be complacent, and that we must keep working to make PDS a fair and inclusive place to work. I am pleased that the greater representation of women in PDS senior leadership has led to a reduction in the median gap.

There is much more to be done to address the inequality shown in our EPG figures. Our EPG continues to be driven by an imbalance of Black, Asian and minority ethnic and white staff across the organisation – put simply, there are too few Black, Asian and minority ethnic colleagues in senior positions. We are taking a range of actions, as detailed in this report, to improve our workplace on this count. Key areas of focus are recruitment, pay and reward, learning and development, and our organisational culture.

On both fronts, we will continue to work with the House of Commons and the House of Lords to understand and address inequality in Parliament.

My ambition is to make PDS a place where colleagues are valued equally for what they bring to our organisation. This report sets out the work we have done to build a more inclusive and equal workplace, and how we plan to continue this in 2022.

David Smith

Managing Director, Parliamentary Digital Service

Background

At the Parliamentary Digital Service (PDS) 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 corporate Diversity and Inclusion Strategy outlines how we plan to achieve this.

PDS is a joint department of both Houses of Parliament. However, as a separate employing body to the House of Commons and House of Lords, we are required to report and publish our own GPG figures. PDS has published a full report on GPG data for five years now, and this will be third time that we have published, on a voluntary basis, our ethnicity pay gap (EPG) data, showing pay gap data between white and BAME¹ colleagues.

We believe transparency drives accountability and that GPG and EPG reporting is an important step towards ensuring our workforce is diverse, inclusive and fair for everyone.

What is a gender pay gap?

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

- Mean² gender pay gap (%)
- Median³ 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 PDS 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 39.1% women and 60.9% men.

¹ BAME – Black, Asian and other ethnic minorities. The Administration only 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.

² The "mean" is the average of a set of numbers.

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

What is the Ethnicity pay gap?

The EPG 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 response rates for ethnicity at the time of reporting was 68.1%, so we have only partial confidence in the accuracy of our data, although this is a small increase on last year's response rate of 66.6%. We continue to work with colleagues to improve response rates to ensure next year's figures are more robust, through raising awareness of the importance of this data in driving change.

Key Figures

Proportion of female and male employees

| | Male | Female |
|------------------------------|-------------|---------------|
| All staff | 60.9% | 39.1% |
| Most senior staff (SCS) only | 60.0% | 40.0% |

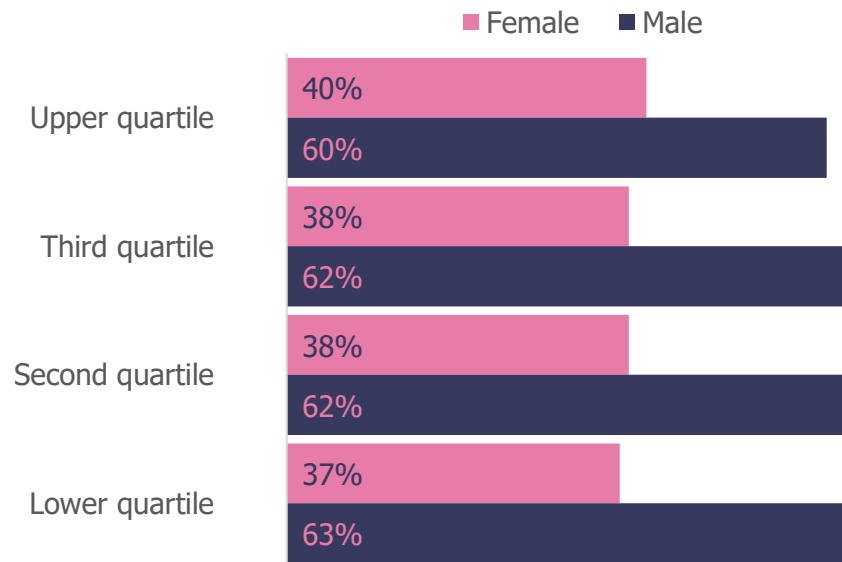
Proportion of white and BAME employees

| | White | BAME |
|--|--------------|-------------|
| All staff | 71.2% | 28.8% |
| Most senior staff (pay bands SCS and A) only | 89.7% | 10.3% |

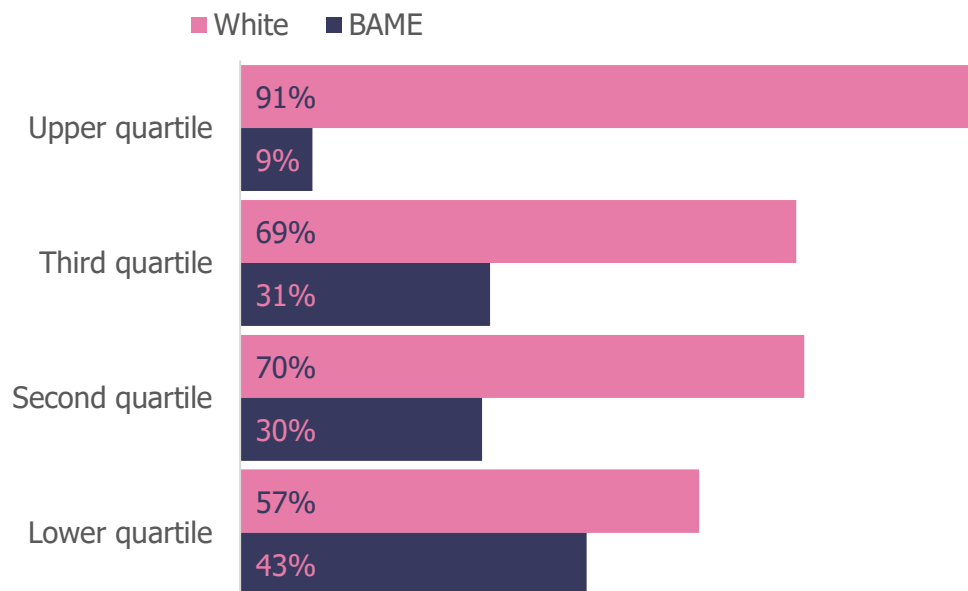
Hourly pay gap

| | Mean | Median |
|-----|-------------|---------------|
| GPG | 1.1% | -0.9% |
| EPG | 17.7% | 16.8% |

Percentage of males and females in each pay quartile



Percentage of white and BAME people in each pay quartile



Bonus pay gaps

| | Mean | Median |
|-----|-------------|---------------|
| GPG | 51.6% | 0.0% |
| EPG | -33.0% | 0.0% |

Proportion receiving a bonus

| Male | Female |
|-------------|---------------|
| 14.7% | 17.9% |

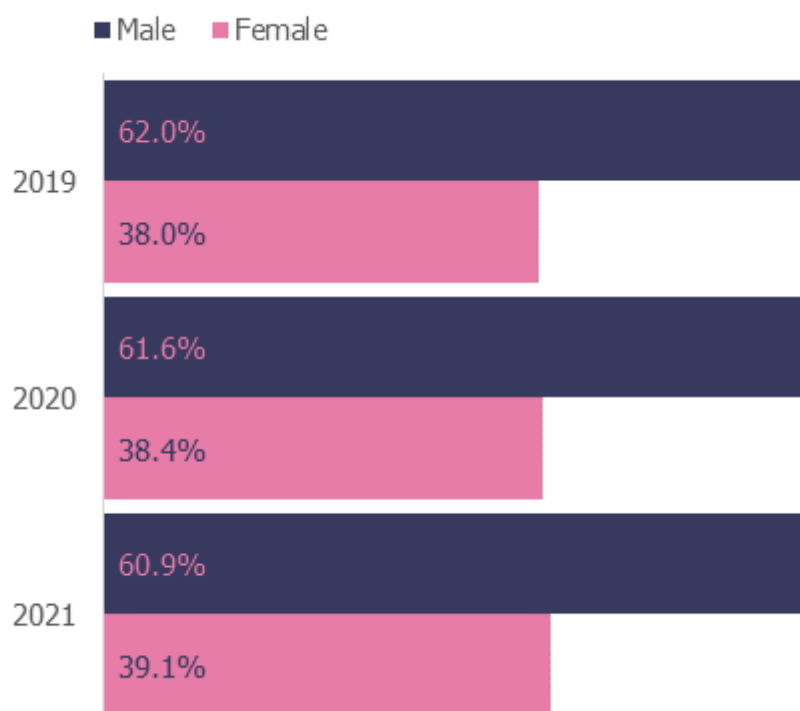
| White | BAME |
|--------------|-------------|
| 16.2% | 15.6% |

Parliamentary Digital Service Pay Gap Data

At 5 April 2021, PDS employed a total of 458 employees, of which 10 were SCS staff⁴.

Proportion of female and male employees

The proportion of staff who are women in PDS (39.1%) is much higher than the proportion of women working in STEM (Science, Technology, Engineering and Mathematics) roles across the UK⁵ (24%) and represents a 1.1 ppt increase since 2019. Compared to employers in non-technology sectors, particularly our closest comparators the House of Commons and House of Lords, we employ significantly more men, with 60.9% compared to 54.1% for the House of Commons and 46.0% for the House of Lords.



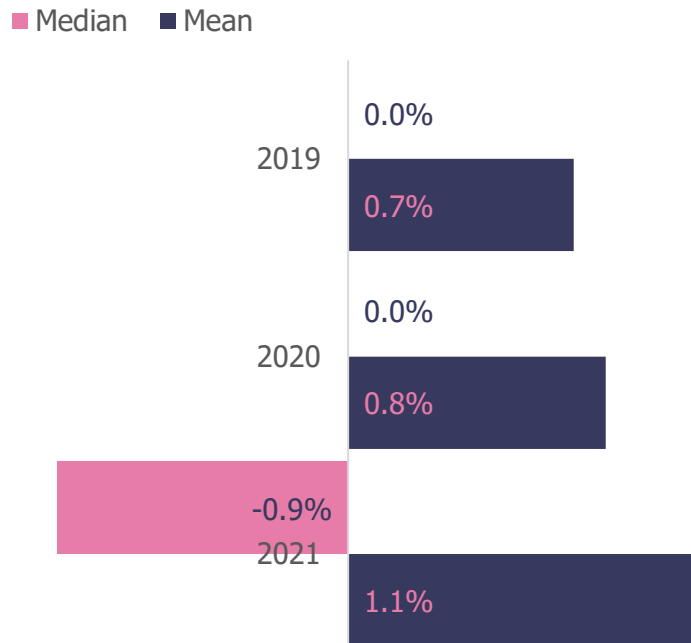
⁴ For the purposes of gender pay reporting, the definition of who counts as an employee is defined in The Equality Act 2010. Using this 'extended' definition and a 'snapshot date' means that there is some inconsistencies compared with data in our annual Diversity Monitoring reports.

⁵Women comprised 24% of the core-STEM workforce in 2019/20, [WISE](#).

Hourly pay

Gender Pay Gap

The mean GPG (the difference between men’s and women’s average hourly pay) is 1.1% (0.8% in 2020 report) and the median GPG is -0.9% (0% in 2020 report).



In comparison to last year’s published figures, there has been a small increase in the mean GPG (0.3 percentage point⁶) and a small decrease to -0.9% median GPG (i.e., now in favour of women).

The PDS median GPG figure compares very favourably with the UK 2021 median GPG of 15.4%⁷ and the Civil Service’s overall median GPG of 8.1%⁸.

⁶ A percentage point (ppt) is the unit for the arithmetic difference of two percentages.

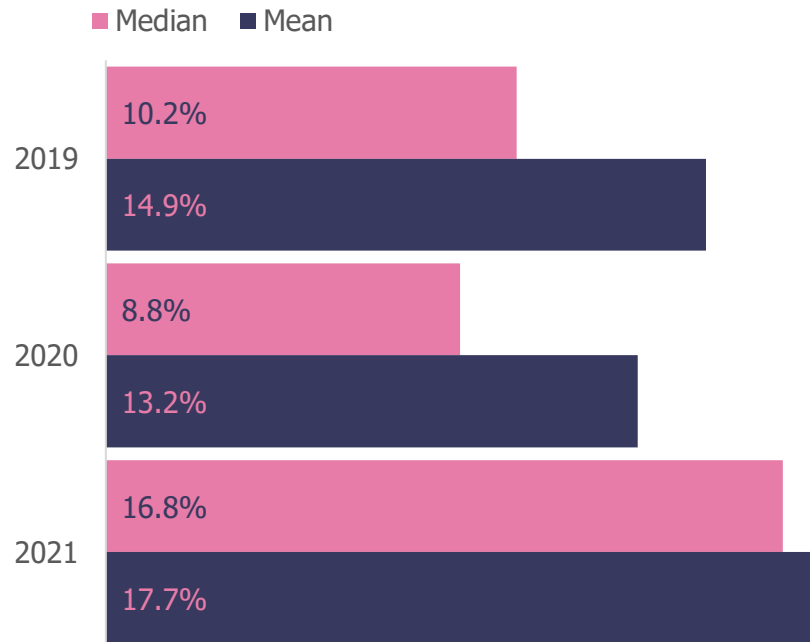
⁷ [Gender pay gap in the UK - Office for National Statistics \(ons.gov.uk\)](https://www.ons.gov.uk/government/statistics/gender-pay-gap-in-the-uk)

⁸ <https://www.gov.uk/government/statistics/civil-service-statistics-2021>

Ethnicity Pay Gap

The EPG mean pay gap (the difference in average (mean) hourly pay of Black, Asian and minority ethnic and white people) is 17.7% (13.2% in 2020 report) and the median EPG is 16.8% (8.8% in 2020 report), an increase of 8.0 ppts and 4.5 ppts for mean and median figures respectively.

2019 ONS figures⁹ shows London to have a median EPG of 23.8% and England and Wales to have a median EPG of 2.3%.



⁹ Source: ONS ethnicity pay gaps: 2019, 12 October 2020 (the headline measure for the ethnicity pay gap uses Annual Population Survey data).

Hourly pay quartiles

The hourly pay quartiles data shows the proportion of: i) male and female; 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.

Gender

There is a higher proportion of women in the upper quartile (2 ppt increase) compared with 2020 and a lower proportion of females in the third quartile (1 ppt decrease) over the same period. These variations across the quartiles may have resulted in small difference regarding the median hourly pay gap figures in favour of women.

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

| Quartile | % point change |
|-----------------|-----------------------|
| Upper quartile | 2% |
| Third quartile | -1% |
| Second quartile | 0% |
| 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 a lower proportion of Black, Asian and minority ethnic staff in the upper (5 ppt decrease) and second (2 ppt decrease) quartiles compared with 2020. These changes are likely to have resulted in the increases in the hourly pay gap figures.

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

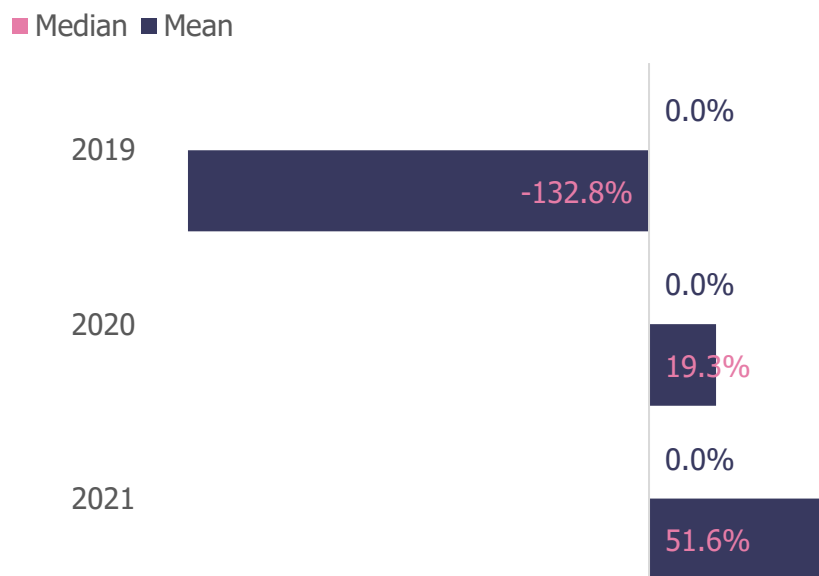
| Quartile | % point change |
|-----------------|-----------------------|
| Upper quartile | -5% |
| Third quartile | 3% |
| Second quartile | -2% |
| Lower quartile | 7% |

Bonus Pay

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

Bonus gender pay gap

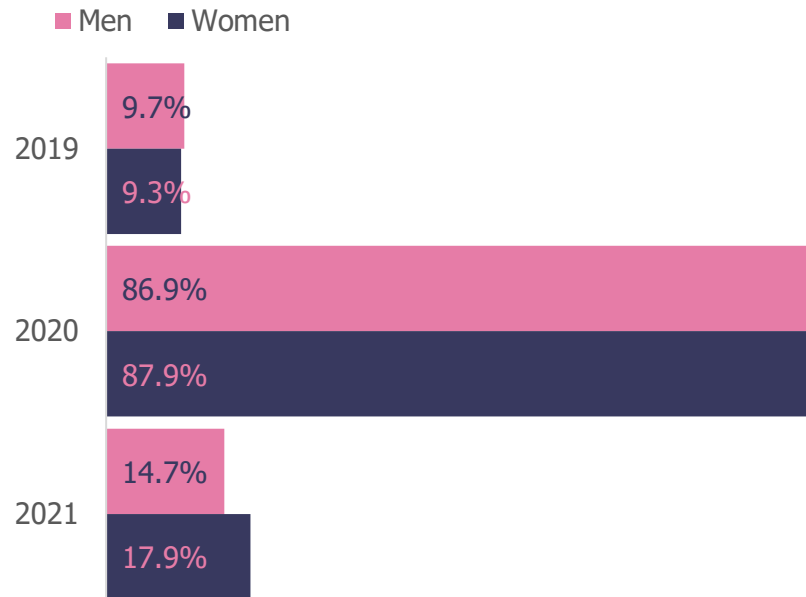
Our mean gender bonus gap is 51.6% and the median gap is 0%.



There is no change to the median bonus gap (0.0%) compared with 2020 and a 32.3 ppt increase in the mean bonus gap compared with 2020 figures.

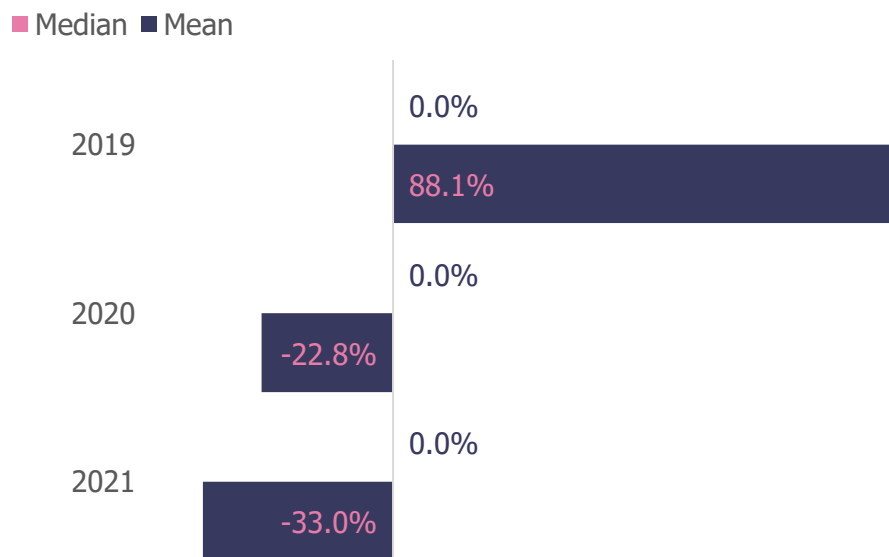
Proportion receiving a bonus: Gender

In the 12 months prior to the snapshot date, 17.9% of women received a bonus compared to 14.7% of men. This was a significant decrease in the number receiving a bonus for both genders, from 87.9% pts for women and 86.9 pts for men in the previous 12-month period.



Bonus Ethnicity pay gap

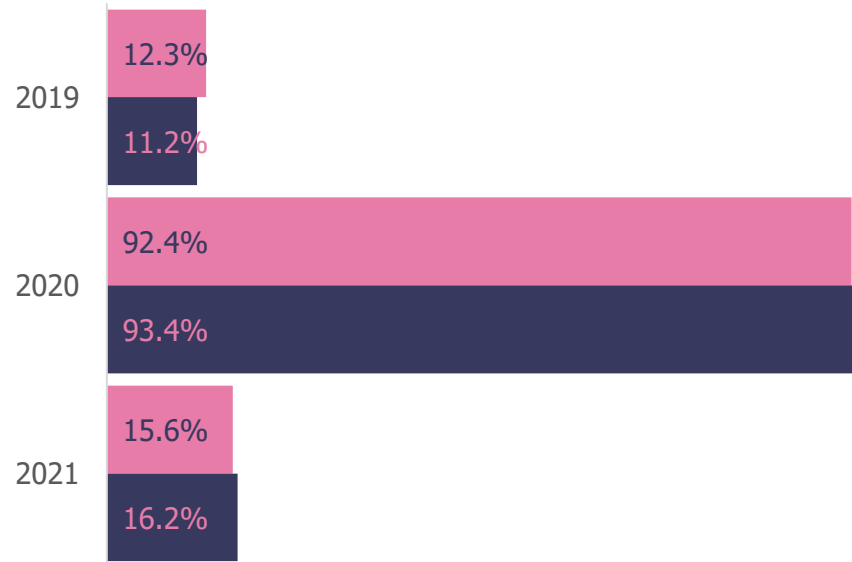
Our mean ethnicity bonus gap is 33.0% in favour of Black, Asian and minority ethnic colleagues, and the median gap is 0%.



Proportion receiving a bonus: Ethnicity

In the 12 months prior to the snapshot date, 15.6% of Black, Asian and minority ethnic staff received a bonus compared to 16.2% of white colleagues. This was a significant decrease in the number receiving a bonus for both groups compared with the previous 12-month period, 92.4 pts for Black, ethnic and minority Asian staff and 93.4 pts for white colleagues.

■ BAME ■ White



Explanation of reasons behind the pay gaps

Ordinary pay

GPG figures shows broad parity in pay between men and women continues. However, differences across groups may exist, which should be investigated.

An across the board pay increase for all staff in 2020 together with modest pay increases for only our lowest paid people in 2021 have contributed to a relative lack of movement in our gender pay gap over the past couple of years, as has a relatively static workforce during the COVID-19 pandemic. However, the small median pay gap in favour of women is probably the result of an increased representation (2%) of women in the upper quartile compared with the previous year.

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 has the potential to mask a variety of experiences among different ethnic minorities and future disaggregation of EPG data may expose the nuances and outcomes for different groups, and any gaps between policy and practice that may contribute to pay gaps.

The increase in the EPGs (both mean and median) between 2020 and 2021 may be explained, in part, by differences in pay between joiners and leavers for white and Black, Asian and minority ethnic colleagues.

Organisational 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 but we hope will have an impact in the longer term.

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 vouchers¹⁰ 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 2021¹¹.

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 (paid during September 2020).

¹⁰ To increase to £50 w.e.f. August 2021.

¹¹ 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.

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

Transparency and a commitment to reporting all pay gaps within PDS is a first step to tackling pay gaps. Working with the House of Commons and the House of Lords, 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

This year PDS continues to be close to gender pay parity. Recognising that work is needed to continue and improve this picture, and to address the inequality experienced by Black, Asian and minority ethnic staff, we have 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.

PDS is committed to providing a positive, inclusive working environment, in which people are valued for the skills and experiences that they bring to work. In partnership with the House of Commons and the House of Lords, our plans for the future focus on training and support, our talent pipeline and progression, building an inclusive working environment, pay and reward, and data and transparency.

Specific initiatives include:

- The introduction of a new Connected Leadership programme with active promotion of participant places for women and Black, Asian and minority ethnic colleagues
- Providing access to mentoring (including some targeted reverse mentoring, where more senior staff are mentored by junior colleagues), shadowing and coaching to encourage and promote progression into senior roles
- A suite of workshops for staff on topics relating to diversity and inclusion, workplace culture, coaching and recruitment
- Developing a resourcing strategy that recognises the importance of diverse teams, in line with the findings from our Inclusive Recruitment Review
- A cross house group – the Clerk’s BAME Advisory Group – that was established to tackle racism and reduce inequality in the wake of the Black Lives Matter movement
- A hybrid working trial, which provides staff with more flexible working options

- A more robust moderation and challenge process for higher starting salaries and other pay flexibilities from 2021, helping to ensure that pay flexibility decisions are fair, consistent and evidence-based
- Pay and reward policies to be progressively modernised to 2025, starting with the change to simpler 'open' pay zones for pay progression purposes, and progressing towards the introduction of a digital pay framework.

We have also introduced socio-economic background diversity monitoring questions, signed up to the Race at Work Charter, and achieved Disability Confidence Leader status.

Other recruitment actions specific to PDS are taking place. From 2022 we will have a dedicated in-house recruitment team. Developing diverse talent pipelines and promoting career pathways for under-represented groups will be a priority for this team. We will also be proactively promoting PDS as an employer to underrepresented groups via organisations such as Women in Tech, emphasising our position as a flexible, family-friendly employer. In 2022, we are launching our first cohort of apprenticeships in PDS, providing new career pathways with the potential to improve the diversity of our workforce across a number of measures.

We continue to ensure that recruitment panels are diverse in terms of gender and ethnicity, and that job advertisements and recruitment literature use gender neutral language. We have introduced a new recruitment course for managers, and ensure that all recruitment panel members are trained in unconscious bias.

Our Diversity and Inclusion Working Group has been running since 2019. It aims to foster a more diverse and inclusive workplace. The group has members drawn from a variety of different teams and roles and aims to deliver tangible progress by amplifying voices, connecting with diversity and inclusion initiatives across Parliament and identifying local actions to address issues specific to PDS.

We are also taking action to build an inclusive culture:

- Embedding our shared values of Care, Community, Curiosity and Confidence throughout PDS, led by a Culture and Values group including staff from different roles and areas of PDS.
- Looking at our workplace culture through an intersectional lens, focusing on improving the experience for disabled colleagues through raising awareness of accessibility generally, access to workplace adjustments and increasing the knowledge of accessible software in our customer-facing teams.
- Developing a facilitation guide on 'How to have a conversation about race' – this is a grassroots initiative in PDS to help teams have honest and productive conversations about race and how it impacts people's lives at work and beyond. This guide has been piloted with several teams, and we are now working with the Commons Diversity & Inclusion team to make it available more widely.

- Planning a communications campaign around International Women’s History month, spotlighting women who work for PDS in a variety of roles, including senior leadership and technical roles. This will be shared through internal and external channels.
- Increasing our focus on wellbeing since 2020, with a range of activities relating to all aspects of mental and physical wellbeing, including three ‘wellbeing weeks’ over this period.
- Launching guiding principles and providing practical examples of their implementation to the PDS community during the Covid-19 pandemic.
- Continuing with our Team Health initiative – a regular snapshot survey of how teams are functioning and feeling which empowers managers and teams to work together to act on the findings to make positive change.

Sharing terms and conditions of service with the House of Commons, we annually review pay for staff, focusing on what steps might be taken to reduce identified disparities.

PDS also champions workplace equality initiatives – including shared parental leave, flexible working and flexitime – and our excellent Workplace Equality Networks (WENs) mean we have taken significant strides to achieving a more equal work environment. We promote the WENs as part of our inductions for new starters, and regularly promote their events and activities through our internal communications channels.

Our completion rates for diversity monitoring data need improvement to meet our targets. We regularly encourage staff to complete their diversity monitoring forms and this is captured through the induction and followed up throughout the employee lifecycle, including through regular reminders in staff newsletters and channels specifically for line managers.

While reporting pay gap figures is important, we recognise the need to look behind the numbers, and form clear, targeted action plans to address them. The EPG figures and our expectations to deliver on cultural transformation, in particular, illustrate the extent of the work still to be undertaken to address the inequality that many Black, Asian and minority ethnic colleagues experience in their everyday working lives at Parliament.