

# House of Commons Gender Pay Gap Report 2018

"I am pleased that one of my first responsibilities as Corporate Officer for the House of Commons, is publishing our gender pay gap figures under the 2017 reporting requirements. We are committed to building a diverse and inclusive workplace, and the annual report gives us an opportunity to review and consider our progress to date.

Whilst our gender pay gap figures are encouraging, we are not complacent. We recognise that there is more to be done to increase female representation at the most senior levels in the House and to rectify the bonus gap. We are proud to have introduced a range of measures to address the problem, including a talent management programme, more diverse recruitment practices, and the launch of a new Diversity and Inclusion Strategy, and we are determined never to be complacent.

As the facilitator of our democracy, the House of Commons must seek to be a leader in offering equal opportunities to all staff, and pay is a significant element of that."



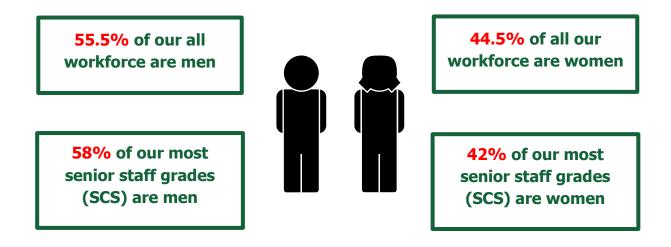
John Benger Clerk of the House of Commons

## House of Commons Pay gap figures

In 2017 the government introduced new legislation requiring organisations employing more than 250 people to annually publish their gender pay gap figures. This is the second time the House of Commons has published a full report on gender pay gap data.

The House of Commons takes pride in being a responsible and supportive employer and is committed to ensuring equality at all levels. We employ over 2,200 people across a huge range of specialisms. From clock makers, cleaners, and clerks to researchers, baristas and locksmiths; our staff team is diverse and unique.

Gender pay gap regulations require the House of Commons to report using data based on a 'snapshot' of relevant employees taken on 5 April 2018. At the time the data below was collected, the gender divide amongst our staff was 44.5% women and 55.5% men.



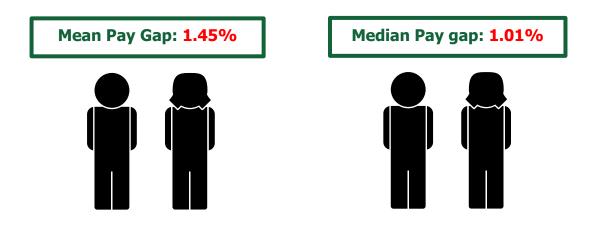
#### What is a gender pay gap?

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:

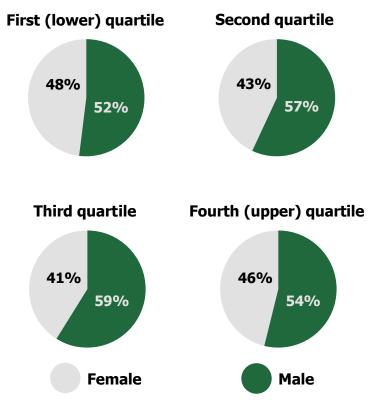
- mean gender pay gap (%);
- median gender pay gap (%);
- proportion of males and females in each quartile band (%).
- mean bonus pay gap (%);
- median bonus pay gap (%);
- proportion of males and females receiving a bonus payment (%);

## House of Commons pay gap data

The mean and median figures for pay show that men's hourly pay is on average 1.45% and 1.01% higher respectively than women's average hourly pay. This overall male to female ratio is broadly replicated across each pay quartile and all pay grades in the House of Commons. It is clear from these figures that there is more to be done, in particular to increase female representation in the most senior grades.

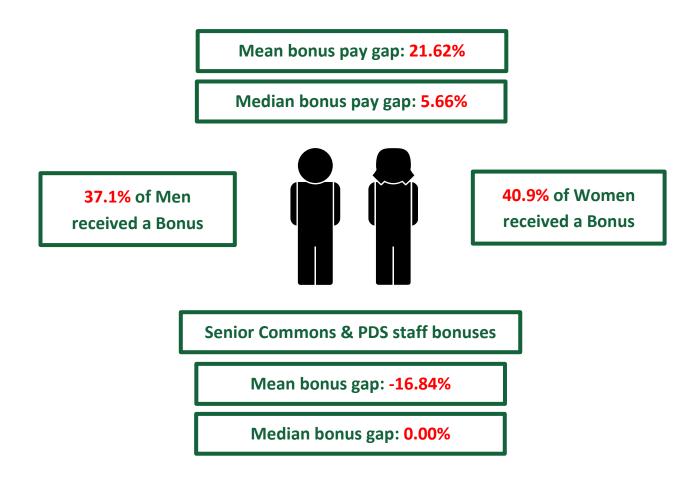


#### The Proportion of Our Male and Female Employees in Each Pay Quartile



### House of Commons bonus gap data

Our data on bonus payments is more complex. The data shows that more women than men receive bonus payments, but that the mean payments received are on average 21.62% higher for men than they are for women. The median difference is also in favour of men but much lower at 5.66% (median figures tend to be less affected by outliers). However, the data includes a variety of one-off payments which may not traditionally be considered 'bonuses'. These include lump-sum pay awards (resulting from changes to pay across all fully effective staff), recognition awards (including £25 vouchers awarded to staff for good work) as well as performance bonuses paid to staff in the Senior Commons (SCS) pay bands.



Performance related bonus payments are only paid to senior House of Commons staff (SCS grade), and higher pay bands within SCS (predominately men) have historically received higher bonus payments. However, changes for bonus payments in 2017/18, mean that bonuses are now paid at a fixed rate for all SCS pay bands.

To give a more accurate picture of the pay gap relating to bonuses paid as a result of good performance, the House has disclosed information about the bonus pay gap for senior (SCS) House staff. This voluntary disclosure includes bonus payments made to

the most senior (SCS) staff of the Parliamentary Digital Service. The Parliamentary Digital Service uses the same pay policies as the House of Commons and decisions about senior pay for both employers are made by the Senior Remuneration Committee of the House of Commons Commission.

The combined SCS mean data shows that SCS women were paid 16.84% more than SCS men in bonus payments. The median gap for SCS bonuses was 0%. The discrepancy between the SCS mean bonus and the median bonus is as a result of the way the averages are calculated – median figures tend to be less affected by outliers, resulting in a very different picture.

There remains a mean bonus gap for both the House and PDS despite changes for bonus payments in 2017/18, which means that bonuses are now paid at a fixed rate for all SCS pay bands. However, for this disclosure it may be explained that for some, bonus payments were pro-rata'd for the period in post during the performance year, which in this instance only affected men.

#### What do these figures mean?

In comparison with overall median gender pay gap for all staff across the Civil Service of 12.2% and 19.0% in the public sector as a whole<sup>1</sup>, the House of Commons pay gap is small. However, there is more to be done to done to reach gender pay parity. Our bonus pay gap clearly demonstrates this. The gap between men and women's bonus earnings has narrowed as the House has reviewed its performance related bonus policy and bonuses are no longer tiered according to seniority, but are consistent across all levels.

The House is committed to providing a workplace where all staff are valued equally. We are a London Living Wage employer, rated in 2018 as the 23rd best UK employer in the Stonewall workplace equality index, and have a silver disability standard accreditation. We have made significant policy decisions around the recruitment of senior staff in the past year, specifically to require both diverse panellists and shortlists when recruiting for a group of the most senior roles. A default commitment to external recruitment will also ensure that we are targeting a diverse recruitment market to appoint to these key roles.

Improving both female representation and representation of those from a BAME background has been prioritised in the first instance and the number of women and those from a BAME background in the Senior Commons Service increased under the 2015-2018 Diversity and Inclusion Strategy (for example, the proportion of women in SCS has risen by 1.2% compared with our 2017 gender pay gap reporting disclosure). Targets have now been set for further increases as part of the new Diversity & Inclusion Strategy. In addition to work around attracting more diverse new talent, the Commons Executive Board has endorsed the need to improve internal talent development through a leadership development programme with ring-fenced places for women and those

from a BAME background. In addition, the Commons Executive Board is currently developing a pilot sponsorship programme for people from a BAME background to help them progress from pay band A into SCS posts. The Commons Executive Board has also put into place a regular succession planning discussion, to help identify potential successors from non-traditional internal pathways.

Over recent years the House of Commons has championed workplace equality initiatives – introducing policies including shared parental leave, flexible working and flexitime, which have been shown to help break down the barriers to true gender equality in the workplace.

<sup>&</sup>lt;sup>1</sup> The Office for National Statistics headline measure, as reported by the <u>Government Chief People Officer, 19 December 2018</u>.

Our Diversity and Inclusion strategy has set ambitious objectives for ensuring equality within the House of Commons Service. Our excellent Workplace Equality Networks (including ParliGender, which works to promote gender equality in Parliament) mean we have taken significant strides to achieving a more equal work environment.

However, we recognise that there is more to be done. Gender pay gap data reveals only part of the picture, and we recognise that whilst our GPG information is encouraging, we must not be complacent.

"It is encouraging to see that in one year of reporting, the House of Commons data reveals that we have succeeded in reducing our already relatively small pay gap to 1.45%. However, there is still much more to be done. We must lead the way in delivering equal pay to men and women, and in ensuring those with other protected characteristics also receive equal access to pay and progression. The traditions and customs of the House may lead some to believe that we are a purely historic institution, but it is our intention to provide the most modern of workplaces – one in which inequality is non-existent and diversity is celebrated".



Myfanwy Barrett, Managing Director of Corporate Services and Director of Finance