

Gender Pay Gap Report 2017

### Introduction

The House of Lords Administration believes that transparent reporting and monitoring is an important step to tackling any inequality revealed through examining pay gaps, and intends to use this report to strive to eliminate the gender pay gap for its staff. Consequently, I am pleased to be the first representative of the House of Lords Administration responsible for publishing our gender pay gap figures under the new reporting requirements.

While it is pleasing to note that the average gender pay gap for our staff, outside the senior grades, is less than 1%, it is disappointing that the overall average gender pay gap for the whole House of Lords Administration rises to 13.7%, once the senior grades are included.

We are determined to make progress in addressing the imbalance at senior levels - some early actions are set out below in the 'Working towards tackling the gender pay gap' section of this report. As part of that, now that we have published the report, we want to listen to people across the House of Lords Administration (and beyond) to work out how best to do this. This is not about delay: it's about getting the actions right. We will consult urgently and commit to further actions by the end of July 2018.

FR SIL-1

**Ed Ollard Clerk of the Parliaments** 

# Gender pay – overview

In 2017, the government introduced legislation that makes it mandatory for organisations with 250 or more employees to report annually on their gender pay gap. The legislation requires relevant organisations to publish their gender pay gap by 30 March 2018 (and then annually) including:

- · the mean and median gender gaps in hourly pay
- the mean and median gender gaps in bonus pay
- the proportion of men and women who received bonuses
- the proportion of men and women employees in each pay quartile.

The gender pay gap is the difference in the average pay between all men and all women in a workforce. The gender pay gap 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. The House of Lords Administration regularly reviews equal pay across the organisation in accordance with guidance issued by the Equality and Human Rights Commission.

### Our 2017 gender pay gap report

#### Our mean and median gender gaps in hourly pay

Mean pay gap 13.7%

Median pay gap 5.5%

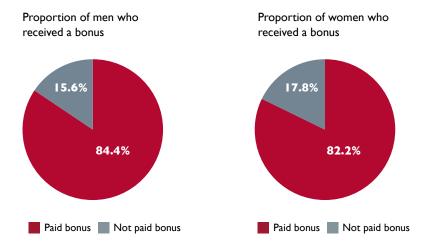
#### Our mean and median gender gaps in bonus pay

Some of the 2017 pay award was paid as a non-consolidated lump sum, which is defined as a 'bonus' in gender pay reporting terms. Only the most senior staff are eligible for true individual, performancerelated, non-consolidated lump sums.

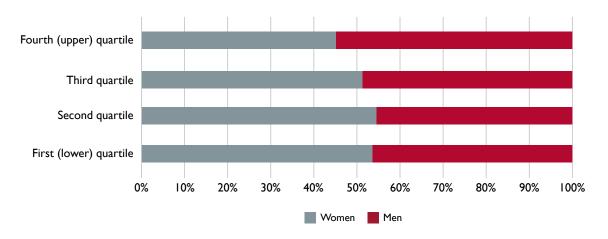
Mean bonus pay gap 24.1%

Median bonus pay gap 0%

#### The proportion of men and women who received bonuses



#### The proportion of men and women employees in each pay quartile



### The main reasons for the gaps

#### The pay gap

The House of Lords Administration's gender pay gap should be placed in the context of our demographics. We employed 588 staff (headcount), of whom 56 were freelancers or on variable-hours contracts, as at 5 April 2017 (the 'snapshot date' on which the data below are based).

The table opposite shows the percentage of men and women in each grade.

Although across the whole of the House of Lords Administration our gender distribution is fairly balanced (51% men and 49% women), women are under-represented in our most senior grades, HL9 and SCS, which is the main reason for the mean 13.7% pay gap. It also explains the reason for the difference between our mean gender pay gap and our median gender pay gap. Indeed, if just the most senior SCS-graded staff are excluded from the overall calculation, then our mean gender pay gap would fall to just 0.5% (see table below).

HLI-HL9 (non-senior staff) gender pay gap

	Pay gap	Female average hourly pay*	Male average hourly pay*
Gender	0.5%	£16.05	£16.13
pay gap			

<sup>\*</sup>Used ASHE Methodology to calculate 'Ordinary Pay' hourly pay https://www.gov.uk/guidance/gender-pay-gap-reporting-guidance

Grade	Women %	Men %
HLI	66.7	33.3
HL2	69.2	30.8
HL3	44.4	55.6
HL4	42.0	58.0
HL5	61.2	38.8
HL6	57.1	42.9
HL7	52.8	47.2
HL8	44.3	55.7
HL9	20.0	80.0
SCS	21.9	78.1
AFS	46.2	53.8
DEFAULT*	51.0	49.0
Total	51.0	49.0

<sup>\*</sup>Variable hours staff and staff on secondment not paid on House of Lords pay scales

#### The bonus gap

The apparently very high number of all staff (both men and women) receiving a 'bonus' is due to the nature of the 2017 pay award in the House of Lords Administration, where most staff in grades HLI to HL9 were paid a £250 flat-rate (but pro-rated), non-consolidated, performance-related award. That payment is captured by the definition of 'bonus' in gender pay reporting terms. The median gap of 0% reflects the nature of that flat-rate award. The mean gap of 24.1% mainly reflects the level and number of true, individual, performance-related bonuses paid to senior SCS staff and the gender make-up of those grades which are comprised of 78.1% men and 21.9% women.

## Working towards tackling the gender pay gap

The House of Lords Administration is committed to equality, creating an inclusive culture, and valuing diversity. This commitment is being delivered through actions set out in the House of Lords Administration's Diversity and Inclusion Action Plan 2017–2019. The House of Lords Administration strives to identify all talent and to help them to succeed, regardless of gender or any protected characteristic, by removing barriers to ensure that diverse or under-represented groups have equal opportunities to succeed.

Notwithstanding the progress already made in delivering these actions, the House of Lords Administration will undertake the following actions over the next 12 months to increase our understanding of the barriers in place that prevent women progressing to the highest levels of the organisations, and to increase the opportunities for them to be able to do so in future, should they so choose.

#### We will:

- · hold a series of workshops, with men and women, from among the staff in the highest pay scales, and those in the pay scales just below, to understand the career journeys that current senior staff have had, and to identify the barriers for staff in the grades immediately below the senior levels in reaching those levels and actions that might be taken to remove those barriers
- invite our office heads to discuss the report and canvas ideas at team meetings
- source opportunities for attendance at a Women in Leadership Programme
- identify pay differences and take action where appropriate
- · continue to offer a wide range of workplace flexibilities in how, when and where work is carried out
- explore, with the House of Commons, opportunities to learn lessons, adopt best practice and work together to tackle the gender pay gap
- develop an action plan from the above, by July 2018, which will seek to start to drive change.



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