



**Government Response to the House of Commons
Business, Innovation and Skills
Committee Report of Session 2013–14:
Women in the Workplace**

Presented to Parliament
by the Secretary of State for Business, Innovation and Skills
by Command of Her Majesty

September 2013

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Business, Innovation and Skills Committee report, “Women in the Workplace”

Government Response

The Government welcomes the Business, Innovation and Skills Select Committee's report on Women in the Workplace published on 20 June 2013. This is a valuable contribution to the debate on the contribution of women towards the economic prosperity of the UK.

The Committee's report reflects the view of the Government and the Women's Business Council that there is a clear benefit from ensuring that those women who want to work, or want to work more hours, are able to contribute fully to the economy. This is not just an issue of fairness.

The Government is committed to equality in the workplace and is striving to achieve lasting change on many fronts. The extension of the right to request flexible working, due to come into force in 2014, will go a long way towards normalising flexible working in the workplace and removing the suggestion that those with caring responsibilities are somehow less committed to their employer. The introduction of a new system of shared parental leave in 2015 will allow parents to choose how best to share caring responsibilities at a time which we know has an impact on a woman's career.

Increasing women's representation in UK boardrooms is another key challenge that the Government is addressing. Through supporting Lord Davies' voluntary, business-led approach we have seen a huge impact on the number of women at the top of our FTSE 350 companies. The Government is also promoting Think, Act, Report, a voluntary initiative to drive greater transparency on gender employment issues in the workplace such as recruitment, retention, promotion and pay. More than 1.8 million employees are now working in companies that support it.

The Government has considered in detail the Committee's 27 recommendations and believes that there are considerable synergies between the Committee's recommendations, the recent Women's Business Council report and the work the Government has already announced. Government is due to publish its action plan for taking forward the Women's Business Council's report later this year and we will return to many of these issues in more detail in that plan. This document sets out our response to all of the Committee's recommendations for Government, noting where the Government is undertaking further work following a relevant

recommendation from the Women's Business Council. The Equality and Human Right Commission will respond separately on its recommendations.

Stereotyping of jobs and gender representation

Schools and Careers advice

(Recommendation 1) *At the heart of the issue of career aspirations for girls and boys is the need to have a cultural change through the educational system, at the point when pupils make subject choices. In this respect, we support the recommendations set out in the Women's Business Council's recent Report. We recommend that the Government develops an enhanced careers strategy, based on partnership working between the National Careers Service, the Equality and Human Rights Commission (EHRC), the National Apprenticeship Service, the UK Commission for Employment and Skills, the Department of Education, and the Department for Business, Innovation and Skills. Such a strategy must include firm targets and regular review processes to ensure that progress is maintained and is consistent across all parts of the country. The Government should also engage, where appropriate, with the devolved administrations, so that best practice can be shared. Within this Government-led strategy, there should be strong business-led engagement with this process. (Paragraph 28)*

The Government set out its strategy for careers guidance in Right Advice at the Right Time. The National Careers Service provides independent, impartial advice to anyone, set in the context of an individual's needs and priorities. Prime Contractors for the service already operate to key performance targets which include promoting equality of opportunity. We meet regularly with Devolved Administrations to talk about careers policy across the four nations, to share good practice and to input to the European Lifelong Guidance policy network (ELGPN). We can ensure that at our next formal session this area is discussed.

From September 2013, the duty on schools to secure careers guidance (currently Year 9-11) will be extended to years 8-13 in schools and colleges. This will ensure that more young people get the advice they need at key transition points. Ofsted's thematic review of careers, which will be published shortly, will provide us with an important assessment of progress. We will consider the findings of this report in relation to how best to support future improvements in careers guidance for young people.

The National Careers Council, whose recent report advised Ministers on careers strategy, has a strong employer representation. Ministers have indicated that they want to strengthen the role of employers in driving forward careers advice, through closer engagement with LEPs, to enhance local skills priorities and improve the stock of work ready individuals with the right skills to meet those priorities. We are

looking at ways to maximise employer engagement with schools to inspire young people into the right professions and occupations.

Apprenticeships

(Recommendation 2) *The Government is committed to improving the representation of women on boards, and has set specific targets for such an increase, and progress against the Davies Report has been encouraging. The Government should demonstrate the same commitment and leadership in the area of Apprenticeships. It should set targets for encouraging more women into Apprenticeship sectors where they are currently under-represented, and consider, where appropriate, how Apprenticeship funding can be used to support such a shift in gender representation. There should be publically-available data on the types of available Apprenticeships and funding, and what successful apprentices should expect in terms of careers and salaries. We repeat the recommendation in our Report into Apprenticeships: the National Apprenticeship Service (NAS) should be given specific responsibility and accountability both to raise awareness of Apprenticeships among under-represented groups and to promote positive action measures available to employers when employing Apprenticeships. (Paragraph 33)*

The Skills Funding Agency (of which the National Apprenticeship Service is a part) is responsible for the coordination, funding and delivery of Apprenticeships in England. Apprenticeships are a job first and foremost with a skills development programme, and women's participation in them mirrors wider workforce trends, where female employees are either under-represented or over-represented in different sectors. Being employer-led, the setting of Government targets may not be appropriate, but we are considering the issue of targets in the development of Government's action plan following the recent report of the Women's Business Council.

The Skills Funding Agency recognises the need to further encourage employers to consider gender representation in their workforce and to continue to work with training providers and providers of information, advice and guidance to ensure they too are active in this context. It is currently undertaking research, due to be published shortly, which will report on both gender and race under-representation in Apprenticeships.

Data on gender representation within Apprenticeships are published annually as part of the Statistical First Release and in the Agency's Equality and Diversity Data Report. The report, which includes adult learner and all age Apprenticeship

participation and success rates by ethnicity, gender, learning difficulties and/or disabilities and age, is due to be updated in the next week to include 2011/12 data.

STEM subjects

(Recommendation 3) *There are many excellent and diverse initiatives in the fields of science, technology, engineering and mathematics, such as the Athena SWAN Charter, Project Juno, and Wired for Success. These programmes encourage and recognise the participation of women in STEM subjects. The Government Equalities Office should compile a comprehensive list of such initiatives, with the aim of sharing best practice. The Government has powerful leverage in its funding of higher educational institutions, but is not using that leverage to force change. The Government also needs to compile specific data that shows the male/female ratio in these subjects. Data from institutions that have adopted specific initiatives for female participation should then be compared with data from institutions that have not adopted such initiatives. (Paragraph 39)*

Universities are able to go to the Equality Challenge Unit (ECU) for advice and support on best practice on equality and diversity issues in Higher Education. The ECU works to further and support equality and diversity for staff and students in higher education across all four nations of the UK, and in colleges in Scotland. The ECU is a registered charity, funded by grants from the UK higher education sector funding bodies, with contributions from Universities UK and GuildHE.

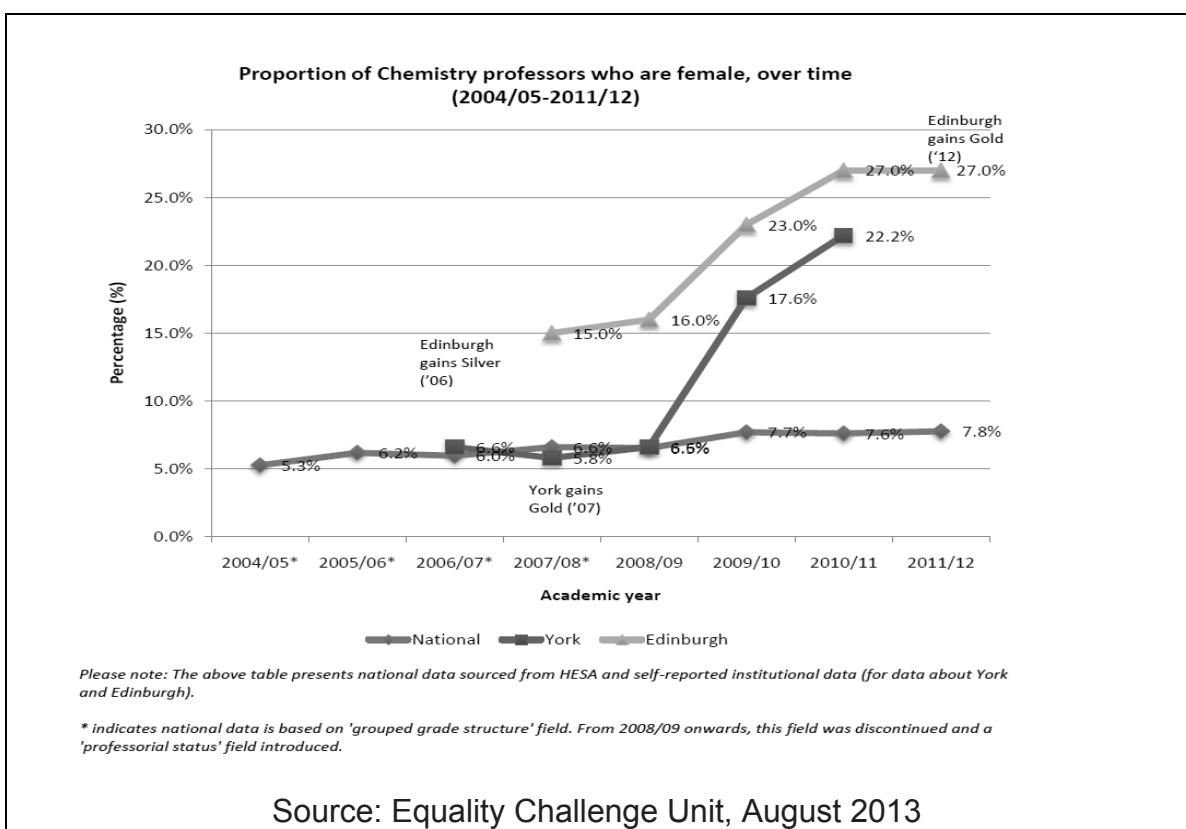
ECU works closely with colleges and universities to seek to ensure that staff and students are not unfairly excluded, marginalised or disadvantaged because of age, disability, gender identity, marital or civil partnership status, pregnancy or maternity status, race, religion or belief, sex, sexual orientation, or through any combination of these characteristics or other unfair treatment.

It is unlikely that a comprehensive list of initiatives aimed at women in STEM would be achievable due to the number of different initiatives run by institutions, professional bodies and other interest groups. The biggest schemes are as follows: The Athena SWAN Charter, the Institute of Physics Project Juno, the Royal Society Dorothy Hodgkin fellowships, London Mathematical Society good practice scheme, the Daphne Jackson Trust, and Stonewall Diversity Champions.

The Athena Swan Charter and awards scheme has been evaluated in order to assess its effectiveness. The Equality Challenge Unit and UK Resource Centre for Women in SET (UKRC) commissioned a study to assess the impact of the Athena Swan programme on the number and level of women in SET In Higher Education

since its launch in 2005. The research demonstrated that taking part in the award scheme had institutional, departmental and individual impacts and that taking part in the Athena Swan Awards had had an impact on the culture of the institutions involved helping to raise awareness of gender inequality and career progression issues¹. It also found that in departments who were renewing their Award there had been changes in the representation of women at higher academic grades and the number of women applying for promotion. ECU has also commissioned Loughborough University to complete an evaluation study on the programme.

The graph below shows that the proportion of chemistry professors in the two Chemistry departments which hold Athena Swan gold awards is increasing faster than the national average.



In addition the Department of Business, Innovation and Skills is funding a STEM Diversity Programme, led by the Royal Society and Royal Academy of Engineering, to understand and address issues of diversity in the STEM workforce.

All English universities are autonomous institutions independent from the Government, so it is for them to make their own decisions about the courses they

¹ Athena Swan – Measuring Success 2011

will provide; their admissions policy; how to implement their own funding strategies and to make the necessary decisions to ensure they are responsive to student choice and that their institutions can continue to flourish. Universities are required to meet provisions in the Equality Act 2010 including the Public Sector Equality Duty, and to take a proactive approach to addressing equality of opportunity to their institutions and courses.

With regard to data, Universities are best placed to collate their own data concerning the make-up of their student population and to use that data to inform their practice and to address differences in participation. Data on participation in STEM subjects by gender and institution are collected centrally by the Higher Education Statistics Agency and the information is published at aggregate level on its website – www.hesa.ac.uk. The data is not currently published by institution but is available to anyone who requests it via their information provision service. We will investigate the feasibility of an analysis of data from institutions that have adopted specific initiatives for female participation with those which have not as suggested in the Committee's recommendation.

(Recommendation 4) *The Government should study the strategy behind the Davies Report, including the setting of targets, and should aim to tackle the skills shortages in a similar way. Programmes targeted at increasing participation of women have proved to be successful. Rather than reinvent the wheel, the Government should use that knowledge and replicate the measures that have proven success in delivering an increased take-up by women in certain professions. Higher educational institutions should demonstrate a track record in changing the unequal representation of men and women in these subjects. (Paragraph 40)*

The Government is currently working with business to implement Lord Davies' strategy and is actively encouraging companies to set targets for the number of women they have on their boards in 2015. We will look to emulate successful models with professions which are experiencing a skills shortage.

As entry to higher education is normally determined by prior attainment, work on increasing attainment prior to HE, and helping people choose the suitable subjects for accessing specific HE courses is essential. Research indicates that the lower number of women in STEM subjects is linked to A level subject choice. It is important to note that of those who achieve science A levels, women are just as likely as men to continue to study STEM in HE.

The Government has improved the information available to students wishing to access HE by requiring institutions to publish Key Information Sets, which can be compared on the Unistats website (<http://unistats.direct.gov.uk/>).

Universities do also play a role in widening participation. The Government is committed to access to HE based on talent and potential. We have introduced a new framework for widening participation with increased responsibility placed on HEIs. Any institution which wishes to charge more than a £6,000 annual graduate contribution for full-time courses or £4,500 for part-time courses must agree an Access Agreement with the Office for Fair Access (OFFA). HEIs agree their own access agreement measures and targets with the independent Director of Fair Access, in line with their own particular mission and challenges, and these can include targets on gender.

(Recommendation 5) *These specific recommendations are voluntary measures, but if the percentage figures do not increase within two years from the start of this initiative, the Government should look at regulation—either self-regulation or Government regulation—to ensure a greater representative of women in under-represented professions and sectors. At December 2015, analysis of the information should be undertaken, and assessed. (Paragraph 41)*

The Government is committed to ensuring that women and other under-represented groups are represented within the STEM workforce and we are working with industry and other key stakeholders to ensure that this is the case. Forums such as the Diversity Leadership Group set up as part of the STEM diversity programme and chaired by Allan Cooke (CEO Atkins) is helping to make this happen.

We believe that an industry-led approach is the most effective and the Government is committed to supporting industry to promote diversity within the STEM workforce; however, given the complexity of the STEM sectors and the Government's aim to reduce the regulatory burden on industry, we will not impose targets or a regulatory framework at this time, but will keep the situation under review.

We will continue to closely monitor diversity in these sectors and we are already engaged in on-going analysis of the STEM workforce. As part of the STEM diversity programme, which Government is funding, various research projects are underway which aim to help establish a clear picture of the representation of various groups including women in STEM. This research is likely to be completed by December 2014. We think that by keeping the situation under continuous

review we will be able to respond to changes in the workforce more effectively rather than focusing on a single analytical exercise in 2015.

Positive Action

(Recommendation 6) *The positive action provisions in sections 158 and 159 of the Equality Act 2010 could be used more effectively to rebalance unequal representation of women in certain sectors. The Government should actively consider how they can promote better gender representation in their procurement policies, building on existing best practice as shown in the ‘Women in Construction’ project at the Olympic site. The Government should use the opportunities presented by the procurement of goods and services from the private sector to advance equality for women. They should produce an annual statement to illustrate the way in which Government contracts have been used to achieve this aim. The Government should make this provision more widely known to employers, with the potential to enable workforces to become more diverse and more representative of the communities that they serve. As with the Government targets for the number of women on Boards, targets should be set by the Government to encourage women to explore more atypical work sectors, especially in those sectors that have a skills shortage. (Paragraph 48)*

Detailed guidance on the Equality Act 2010 positive action provisions is available on both gov.uk and the EHRC website. The Government takes every opportunity to engage with employers on equality issues, including the business benefits of using positive action measures to increase workforce diversity, boost participation in activities and increase productivity and efficiency within the workplace. In the past year, Ministers have spoken to a wide range of employers and employees at various conferences and other events about equality being good for business. In conjunction with the British Chamber of Commerce, the Government Equalities Office organised a series of events around the country for small and medium enterprises, with several focusing on gender equality in the workplace, including the use of positive action measures. We will continue engagement campaigns with businesses on equality issues, including the benefits of positive action, for example through initiatives such as tackling under-representation of Women on Boards.

(Recommendation 7) *We are concerned that the objectives of the Women and Work programme—that of supporting women in the workplace— could well be at risk, following the move from grant to challenge-based investment funding for*

Sector Skills Councils from April 2011. If the Government is serious about tackling skills shortages and readdressing gender inequality in certain sectors, it should be prepared to take responsibility for funding specific 'Women and Work' programmes, should the change in funding arrangements not deliver its initial aim of promoting employment for women. (Paragraph 49)

Our aim is to create a Further Education (FE) and Skills system which delivers a lifelong approach to learning and promotes sustainable economic growth. Public funding for FE and skills for adults will support the capacity for over three million adult training places funded through the Skills Funding Agency in the 2013/14 academic year. The Government is prioritising funding where its impact is greatest – on individuals who would not otherwise have undertaken the training and where market failures are strongest. Priority is therefore focused on young adults, the low skilled and those who are unemployed where skills training will help them to enter sustainable employment. 24+ Advanced Loans are available to support learners in FE aged 24 and over studying at Level 3 and above. Full details of funding eligibilities are available in the Skills Funding Statement available at https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/82774/bis-12-p172x-skills-funding-statement-2012-2015.pdf.

To build on the legacy of the success of the Women and Work Sector Pathways initiative (2006-2011) funding of £2m was made available in 2011-2012, through the UK Commission for Employment and Skills (UK Commission) investment programme, to 6 Sector Skills Councils (SSCs) to run Women and Work projects UK-wide through the Employer Investment Fund (EIF) (Round 1). EIF aims to raise employer investment in skills across the UK by supporting innovative and sustainable programmes run by SSCs.

Under the new challenged-based investment funding arrangements, SSCs were encouraged to submit proposals under EIF (Round 2) to address the needs of training and up-skilling women workers. SSCs representing IT, Finance and Hospitality/Leisure services successfully secured funding for projects over 2012-13 and 2013-14. Additionally in 2012-13 a further £4.3m was made available for EIF (Round 3) for short term projects from 1 October 2012 - 31 March 2013 and bids were invited for projects explicitly aimed at improving equality and diversity outcomes, including new initiatives that create opportunities for women in the workplace.

Over 5,500 employers invested £28m through the Women and Work Sector Pathways initiative engaging over 24,400 women. SSC projects under EIF impacting directly on women from 2012 include:

- Cogent - Women into STEM Apprenticeship Programme – engaged 90 school girls in work experience with an employer, over 900 school girls increased their knowledge of careers and technical apprenticeship opportunities in the science-based industries in England and Wales, and 30 employers offered 30 Higher Apprenticeships.
- People 1st – Women in Passenger Transport and Tourism - engaged 200 women through its pre-employment training programmes 'Step on the Coach', 'Step on the Train', 'Step into the Taxi' and 'Step into Aviation'.
- Improve - Better Balanced Food - engaged 654 women in training interventions progression opportunities for women in the food and drink industry.

The approach the UK Commission takes when providing investment funding is to encourage projects to become self-sustaining. EIF evidence shows that several Women and Work Sector Pathways initiatives have continued after EIF funding has ended. The UK Commission continues to encourage action to support women's entry and development in the workplace through their investment programmes.

Equality legislation and equal pay

Gender pay gap

(Recommendation 8) *Published examples of equal pay best practice in the private sector would provide evidence that equal pay is good not only for individuals, but for business. We welcome the Government's Think, Act, Report initiative to improve transparency on gender equality in the workplace. We urge the Government, through the Government Equalities Office, to promote the initiative more widely, and to use the evidence to prove that good employment practice is good for business. (Paragraph 58)*

Over 120 leading businesses, employing more than 1.8m people in the UK, have now signed up to supporting Think, Act, Report and in doing so committed to greater action and transparency on gender issues.

We have held a number of sector-led Ministerial events to promote the initiative, built on professional relationships to promote Think, Act, Report through partners and key stakeholders and used social media as a tool to reach wider audiences. As highlighted in the Women's Business Council report, creating better business

cultures attracts the best talent to organisations and we will continue to draw attention to this when promoting Think, Act, Report.

(Recommendation 9) *The gender pay gap is stubbornly persistent. It is unacceptable that women are still systematically paid less than men, over 40 years since the Equal Pay Act was passed. We recommend a review of the Think, Act, Report initiative in the Autumn of 2013, two years after its establishment, including statistical analysis of pay differentials, to determine whether it is helping to effect change. (Paragraph 59)*

The second annual review of Think, Act, Report will be conducted later in the year. We regularly monitor the gender pay gap, which has fallen significantly in recent years, and discuss levels of pay/representation of women at varying levels with organisations as part of the Think, Act, Report framework. We will conduct a second survey with existing Think, Act, Report supporters which specifically asks what changes/increases in gender reporting organisations have put in place since supporting the initiative. Last year a number of organisations reported an increase in transparency, publicly available documents and the commitment to examine gender pay within their own organisation.

We do not intend to conduct statistical analysis of pay differentials within companies as we would be unable to verify figures where different methods of collection have been used. In addition, many companies do not collect this data and others may be reluctant to share it outside the organisation. However, we will continue to work with companies signed up to Think Act Report to encourage more of them to calculate and report on their gender pay gaps.

Equal Pay Audits

(Recommendation 10) *We welcome the Government's proposal to give tribunals the power to require an employer to undertake an equal pay audit when discrimination has been proved. However, there is existing legislation addressing inequality in pay that has not yet been implemented. The Government should introduce regulations under Section 78 of the Equality Act 2010, to require large private sector employers to undertake and publish equal pay audits. That data could then be used to highlight where pay gaps exist. (Paragraph 63)*

The Government notes the Committee's recommendations and is keeping this under review. In the meantime, we are working on Think, Act, Report as an alternative, voluntary, business-led approach which the Committee has endorsed.

We have legislated for employment tribunals to order an employer to carry out an equal pay audit when they have been found to have breached equal pay laws. This will ensure that those employers look at their pay structures in detail so they do not fall foul of the law in the future.

In 'Building a Fairer Britain' (December 2010), the Coalition Government made clear that it will annually review the numbers of companies releasing information, and its quality, under the voluntary approach to assess whether this approach is successful and take a view over time whether alternatives are required, including using a mandatory approach through section 78 of the Equality Act 2010. While we work with business and others to ensure the voluntary approach is successful, we will not commence, amend or repeal section 78.

(Recommendation 11) *The Equality and Human Rights Commission (EHRC) should make public those businesses that are non-compliant under Section 78 of the Equality Act 2010, as well as those examples of equal pay best practice in the private sector, to show that equal pay is good for business. (Paragraph 65)*

This recommendation is for the EHRC and it will be responding separately in due course.

Public Sector Equality Duty (PSED)

(Recommendation 12) *The Public Sector Equality Duty (PSED) is a useful tool to ensure that public bodies take steps to secure parity in pay, and in other terms and conditions of employment. The Government is nearing the end of a year-long review of the Public Sector Equality Duty—even though it was only introduced in 2011—in the interests of removing unnecessary burden on businesses and organisations. We do not believe that the Public Sector Equality Duty is an unnecessary burden on employers, but is a vital tool for the collation of evidence and for ensuring that steps are taken with the aim of achieving parity. The Government should send a clear message that the PSED is valued. We urge the Government to retain the PSED in its current form, unless a full analysis of its compliance by public bodies has been carried out by the EHRC, and the results of that analysis point towards the need for change. Published statistical analysis should be at the heart of that review. (Paragraph 70)*

The Public Sector Equality Duty was brought into force by this Government in 2011. A review was announced by the Home Secretary in May 2012. The Government appointed an independent Chair, Rob Hayward OBE, and Steering

Group which includes the Equality and Human Rights Commission as an observer to oversee the review. Following an extensive programme of engagement and evidence-gathering over the course of 2013, the Chair and Steering Group have produced a report and set of recommendations which are currently with Ministers for their consideration. The report will be published shortly alongside the Government's response.

(Recommendation 13). *The Equality and Human Rights Commission needs to improve its performance in relation to the monitoring and assessment of compliance of the Public Sector Equality Duty. It should use its powers to issue compliance notices to those public bodies that have failed to comply with the PSED. The Government should give a clear statement of support for the EHRC in exercising these duties. (Paragraph 71)*

This recommendation is for the EHRC and it will be responding separately in due course.

Equality Impact Assessments

(Recommendation 14) *Equality Impact Assessments shine a light on the differing impacts of decisions, policies and practices adopted by large organisations, identifying those which might help to advance gender equality as well as those which adversely impact on particular groups. Given the fact that large companies have Human Resource departments that hold the relevant data, they are relatively easy to undertake, and they provide a positive context in which to work. We urge the Government to reconsider its decision to 'call time' on the undertaking of Equality Impact Assessments. This change in policy is in direct contradiction with the Government's other measures directed at achieving equality in the workplace. (Paragraph 73)*

This Government is committed to ensuring equal treatment and equal opportunity. We have not abolished Equality Impact Assessments, however, as the Prime Minister has made clear, Equality Impact Assessments are not always necessary for the proper consideration of equalities, nor are they a legal requirement in England. All departments consider equality during policy-making as a matter of course.

The Public Sector Equality Duty still requires public bodies to consider the need to eliminate unlawful discrimination, advance equality of opportunity, and foster good relations between people with different characteristics. The Public Sector Equality

Duty requires public bodies to consider equality when carrying out their day-to-day work – in shaping policy, in delivering services and in relation to their own employees.

It is up to each public body to decide for itself what information it publishes to show compliance e.g. minutes of decisions; policy announcements; notes of meetings; consultation responses; equality data that has been considered; or management papers. This will vary depending on the size of the body; its functions, and the extent to which those functions could affect equality.

Changes to the Equality Act

(Recommendation 15) *Reforms to employment legislation may make it harder for women to tackle inequality in the workplace. We urge the Government to remove the fee requirement for pregnancy discrimination cases. Pregnancy discrimination, by definition, affects women only and such a financial burden on those women would be in direct contradiction with the Government's aim of removing inequality in the workplace. The impact of the new fee arrangements for other gender-related employment tribunal cases must be monitored, and kept under review to ensure that genuine cases of discrimination are not being stalled by the introduction of fees. We recommend that the questionnaire procedures in discrimination cases, which gives both employees and employers guidance about what information will be asked in an employment tribunal, should be retained. (Paragraph 77)*

The Government does not believe it is fair for the taxpayer to foot the entire £74m bill for people to escalate workplace disputes to a tribunal. All users of the tribunal should make a contribution to the costs where they can afford to do so. We therefore do not believe that any particular claim type ought to be exempt from fees and that it is right to seek a fee from employment tribunal users who can afford to pay, including those bringing pregnancy discrimination cases. Where claimants cannot afford the fees, the remission system ensures that nobody will be denied access to the tribunal and where a claim is successful the employer could be liable to reimburse the fee paid.

It is in everyone's interest to avoid drawn out disputes which are costly in terms of time, stress and money for employees and employers alike. That's why we are also encouraging quicker, cheaper and simpler alternatives to tribunals.

Data transparency

(Recommendation 16) *The Government has already done much to ensure data about women in senior positions is collated, assessed and acted upon. However, as with the measures in place for increasing women on boards, the prospect of regulation can be a useful motivation for intransigent companies which fail to engage with the Think, Act, Report initiative. Only when there is consistent, reliable data on equality issues can progress be planned, achieved and measured. The Government Equalities Office should collate data on women in the workplace, including figures on part-time employees, what roles women return to after maternity leave, and specific ages or periods in the employment lifecycle. (Paragraph 78)*

This data is already available from various sources, including the Office for National Statistics (ONS) and the Department for Business, Innovation and Skills (BIS). The ONS regularly publishes several figures on the labour market, disaggregated by gender, including part-time work and labour market status by age group and gender segregation by sector, along with the figures allowing the calculation of the gender pay gap. The ONS will be publishing a report at the end of September 2013 which will look at women in the labour market and in particular examine the percentage of women which are at the top of the earning distribution. This report will also compare the number of women in work with and without children, with comparisons of men in the labour market.

BIS publishes the Workplace Employment Relations Survey which contains information about employment equality and fair treatment at work.

Flexible working

Data transparency and a voluntary code of practice

(Recommendation 17) *Without reliable, consistent data on the extent of flexible working—including part-time, job-share, and compressed hours—the Government, public and private sector employers, and employees cannot have clear understanding of who is working in such a way, in what sector, and how well they are performing. The data needs to be gathered and analysed by gender, race and disability, and by age and sector. The Government Equalities Office should oversee the collation of this data by the Office of National Statistics. (Paragraph 89)*

This data is already available in the Workplace Employee Relations Survey and the Work Life Balance Survey (BIS) as well as in the Labour Force Survey (ONS).

(Recommendation 18) *The Government should collect and publish consistent data on the working practices of staff within its own Departments. This data should be reviewed on an annual basis, and those Departments with poor records of offering flexible working should be set achievable targets for improvement.*

(Paragraph 89)

The Civil Service Reform Plan acknowledges that to deliver services that meet the needs of an increasingly diverse and demanding public we need a flexible and dynamic workforce. Flexible working practices such as home working, job share and term time working, can bring significant benefits. These include increased productivity, estate savings through better sharing of Government buildings, improved business resilience, better work life balance and enhanced wellbeing.

Individual Government departments have their own flexible/home working policies tailored to their business needs. Individual members of staff across the Civil Service can apply for remote/home working where it meets the demands of the business. The Department for Energy and Culture Change is leading work to re-introduce a Civil Service job share notice board on Civil Service Jobs website, to facilitate flexible working by enabling people to find job share partners.

(Recommendation 19) *We recommend the establishment of a voluntary Code of Practice by the Government, through the Government Equalities Office, to highlight best practice in relation to the provision of quality part-time and flexible working. The Government should draw attention to those organisations that encourage flexible working—for both men and women, at all levels of the workforce, including at a senior level—in order to dispel the myth that flexible working is problematic and cannot work.* (Paragraph 96)

Government intends to extend the right to request flexible working to all employees in 2014. This provision is included in the Children and Families Bill, which is currently in Parliament and likely to receive Royal Assent early next year. This legislative change will be supported by guidance and communications to help employers and employees to understand the law. We anticipate producing guidance to highlight the business benefits of flexible working, which include higher staff morale and productivity, improved recruitment and retention rates and better access to a wider pool of skilled and talented employees.

BIS has been working closely with the Department for Work and Pensions to encourage employers to consider flexible working when advertising jobs, and discuss flexible working opportunities at interview stage. This includes working with the private sector working group comprising employers and employee organisations to identify ways to promote flexible working amongst employers, especially during recruitment.

The private sector working group have developed a strapline for employers to use when advertising new jobs: *'Happy to talk flexible working'*. This strapline will help employers to attract a wider pool of candidates to their vacancies and allows prospective employees to discuss their flexible working needs with the employer before they start work.

(Recommendation 20) *Currently, employees do not have the right to ask for flexible or part-time working within six months of starting a job. Staff should be entitled to ask for flexible working from the outset, unless there are justifiable reasons to the contrary. This should be led from the top management level, with the default position being the right to ask for flexible working, unless justified.*
(Paragraph 98)

Employers need to have certainty over terms and conditions when recruiting new employees and a 'day one' right to request would remove that certainty. It is also likely to be too late for the employee's needs; employees should not be encouraged to start a full-time job in the hope that they can reduce their hours once they start.

We agree with the Women's Business Council that employers should recognise the benefits of flexible working and be open to discussing employment contracts on flexible terms from the start.

Small and medium businesses (SMEs)

(Recommendation 21) *The Equalities and Human Rights Commission needs to take a more active role in supporting and advising SMEs, in relation to the issue of flexible working. Many SMEs are exemplars of flexible working, which benefits both the business and the staff, but others lack the knowledge to utilise flexible working successfully. The Government should invest resources in advising small and medium businesses, of the benefits of recruiting and retaining flexible workers, and it should highlight the work that organisations such as the Federation*

of Small Businesses do to promote the positive benefits of flexible working.
(Paragraph 102)

The Women's Business Council has endorsed the Government's commitment to extend the right to request flexible working to all and sees this as vital to supporting women's progression in the work place. Flexible working should not be a gender specific issue, and increasingly it is not. This requires businesses to make a step change in terms of flexible working and support for working parents, and makes clear that this is a cultural issue we need to change.

The primary responsibility now rests with businesses to understand the value of flexible working and the benefits that it can offer. However, there is a role for Government also to support businesses in doing this, through the provision of clear guidance, sharing sample contracts, best practice and role models, and through initiatives such as Think, Act, Report.

Maternity leave and Childcare

Parental leave proposals

(Recommendation 22) We recommend that the Government collects data on pregnancy discrimination, in order to monitor its incidence, from the position of both employees and employers. This should be done in conjunction with our previous recommendation that women with pregnancy discrimination cases should not have to pay the proposed £1,200 tribunal fee. (Paragraph 110)

BIS, the Government Equalities Office and the EHRC are exploring the possibility of a joint research project on this issue. Tribunal statistics and the Survey of Employment Tribunal Applications already include some figures on incidence of cases; however, additional research is needed due to possible low reporting of pregnancy discrimination cases.

Equality and Human Rights Commission

Proposed changes to the EHRC

(Recommendation 23) We welcome the fact that the Government reconsidered its intention to repeal the Equality and Human Rights Commission's general duty, as set out in Section 3 of the Equality Act 2006. However, we remain concerned at other Government measures that are weakening the EHRC's ability to carry out its general duty. In this Report, we have recommended that the EHRC should be providing: enhanced information and advice covering career strategies; equal pay

audit and equal pay best practice advice; the monitoring and assessment of the Public Sector Equality Duty (PSED); data transparency advice; and support to SMEs. Funding is tight, but if the EHRC is to carry out all of these activities effectively, it needs to be better resourced. We welcome initiatives such as the EHRC's recent work with the meat and poultry industry, and recommend that that EHRC actively seek funding from other private business sectors for similar funding. (Paragraph 117)

This recommendation is for the EHRC and it will be responding separately in due course.

Women in senior positions

The current position

(Recommendation 24) Much has been achieved as a result of the recommendations in the Davies Report of 2011. There are some exemplary organisations that have both promoted women to executive board level, and have ensured that women are progressing throughout the structure, and tangible results have been achieved. However, more needs to be done to consolidate that work and to ensure there are more women on boards, especially those on executive committees, and those holding executive directorships. The total number of women on boards can be deceptive, because there has been a drop in the percentage of women on executive committees, from 18.1% to 15.3% since 2009. The Government needs to monitor regularly the proportion of women holding both executive and nonexecutive directorships. (Paragraph 125)

Government has been working with business to implement the measures set out in Lord Davies' 2011 Women on Boards report. Lord Davies has committed to issuing an annual update up to 2015. The proportion of women on boards, both at executive and non-executive level, is included in these reports. A mid-year statistical update is also published each October. Ministers are watching the trends closely.

Progress

(Recommendation 25) We welcome the changes to the UK Corporate Governance Code and the new policy of 'comply or explain'. Boards will now report annually on their boardroom diversity policy, including gender, and on measurable objectives for implementing the policy. (Paragraph 128)

(Recommendation 26) *We are encouraged by the increase in the number of women on boards, and support the continued work of Lord Davies in his voluntary approach. We recommend that the Government highlights best practice of mentoring and networking initiatives run for women, in its Think, Act, Report initiative, in order to stress the importance of increased opportunities for women to apply for boardroom appointments. Those companies that are more successful nurture their potential leaders at all levels of the workforce. (Paragraph 139)*

(Recommendation 27) *While we support the voluntary approach of Lord Davies, we are concerned that the number of women appointed to FTSE 100 boards has decreased since December 2012. The Government has put on record its intention to take tougher measures, in the form of quotas, if the voluntary approach does not work. The Government needs to set out clear figures, and a timescale, to outline to businesses what will be done if those targets are not achieved. (Paragraph 140)*

Government has clearly stated that all FTSE 350 companies should be aiming to reach Lord Davies' target of 25% female representation on boards by 2015. We firmly believe that a voluntary business-led approach is best and have sought to effect a culture change at the heart of business, putting in place effective frameworks for businesses to operate within. The Government is committed to allowing business to take control of this issue via a voluntary business-led approach. However, if the target is not reached in 2015 Government will consider adopting tougher measures.



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