



Department
for Education

Gender pay gap 2020

December 2020

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Summary

The gender pay gap is a high-level snap-shot of pay within an organisation and shows the difference in the average pay between all men and women in a workforce.

In previous years the department (DfE) has calculated the Gender Pay Gap (GPG) using the differences between female and male hourly rates of pay in March each year. From 2020 the department's GPG calculation method has adjusted to use annual salaries in March 2020 to calculate hourly pay. This change was to align with the Annual Civil Service Employment Survey (ACSES) approach. There has been no change in the approach to the calculation of the gender bonus gap.

This change means it is harder to directly compare the 2020 figures to those published in previous years. Previously the department's pay gap has been reported as detailed in table below which shows that the median pay gap has increased by 2.6 percentage points from 5.3% in 2019.

| | 2020* | 2019 | 2018 | 2017 |
|---------------|----------------|----------------|----------------|----------------|
| | Pay Gap | Pay Gap | Pay Gap | Pay Gap |
| Median | 7.9% | 5.3% | 5.6% | 5.9% |
| Mean | 3.9% | 4.1% | 4.5% | 5.3% |

* 2020 figures used an altered methodology to previous years.

The 2019 pay gap has been recalculated using annual salaries to enable a comparison between the 2019 and 2020 position. This shows that the department's GPG has a real increase of 5.7 percentage points in 12 months, increasing in favour of males. Analysis of the causes suggests this is largely driven by a change workforce composition over the last 12 months including an overall increase in females including at the junior grades..

| | Median GPG | Mean GPG |
|-------------|-------------------|-----------------|
| 2020 | 7.9% | 3.9% |
| 2019 | 2.2% | 3.7% |

There is no bonus gap in 2020, which has decreased from 3.8% last year to zero.

| | 2020* | 2019 | 2018 | 2017 |
|---------------|------------------|------------------|------------------|------------------|
| | Bonus Gap | Bonus Gap | Bonus Gap | Bonus Gap |
| Median | 0.00% | 3.8% | -2.0% | 0% |
| Mean | 1.6% | 4.3% | 2.2% | 0.8% |

* no change in the methodology to previous years.

In 2020 women are slightly more likely to receive a bonus than men and on average they are receiving similar amounts.

The department has developed a full and varied action plan to focus on priority areas to improve the pay gap.

Background

What is the legislation?

Under the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017, all organisations listed at Schedule 2 to the regulations that employ over 250 employees are required to report annually on their gender pay gap. Other organisations with 250 or more employees will need to comply with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

What does the gender pay gap mean?

The gender pay gap is a high-level snap-shot of pay within an organisation and shows the difference in the average pay between all men and women in a workforce. If a workforce has a particularly large gender pay gap, this can indicate there may be a number of issues to deal with. Individual calculations may help to identify the cause of those issues.

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. A gender pay gap does not equate to the existence of an equal pay problem, albeit a gender pay gap may be a trigger for further investigation about the reasons why the gap exists.

What is our approach to Diversity and Inclusion?

Building a diverse and inclusive workforce that reflects the people we serve is one of the Civil Service's top workforce priorities. Our collective aim is to make the Civil Service the UK's most inclusive employer by 2020. The Civil Service should create opportunities for all in a truly meritocratic way and reward all civil servants fairly, regardless of gender, ethnicity or any other personal characteristic. Our Diversity & Inclusion Strategy outlines how we plan to achieve this.

In 2018 DfE launched its five year Diversity and Inclusion strategy. It is shaped by what our staff say needs to change to meet our aspiration to be the most inclusive Department in the Civil Service. Having a diverse workforce and maximising that diversity helps us to become more **user centred** for a diverse population. It contributes to creating an inclusive environment, where staff are able to **empower themselves and others**. And it underpins all of our aims by being key to a **talented workforce**.

DfE have a variety of staff networks and groups for all employees to join, regardless of whether they identify as having a characteristic associated with the network; everyone is welcome to get involved. One of the five priorities set out in DfE's Diversity and Inclusion Plan is the strand of work to *ensure that all DfE staff are able to achieve their full potential*. Developing an action plan to reduce the department's pay gap is a key part of this and we will work with the networks to drive this forward. This supports DfE's ambition to be a leader in Whitehall on Gender Pay.

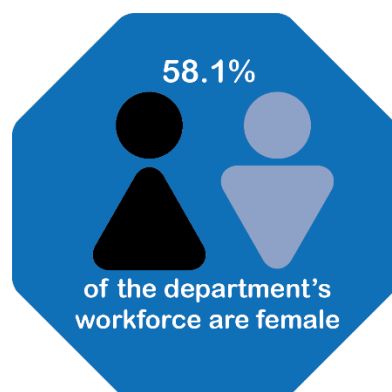
What is DfE's organisational structure?

For the purposes of this report, DfE includes the following Executive Agencies:

- Education and Skills Funding Agency;
- Standards and Testing Agency; and
- Teaching Regulation Agency.

The department uses Civil Service grades ranging from Executive Assistant (admin level grade) to Senior Civil Servant (executive level grade). Grades vary according to the level of responsibility that staff have. Each grade has a set pay range with gaps in between grades. Staff are expected to move through the pay range for their grade as their experience and skills develop, therefore the longer period of time that someone has been in a grade the more we would expect them to earn irrespective of their gender.

Gender Make-up of the Department



What data do we need to include?

Included in the data is an employee's full time annual equivalent pay between 1 April 2019 and 31 March 2020. It uses all basic pay after salary sacrifice, allowances and paid leave. It includes any non-consolidated performance related bonuses paid in March only.

The data includes all departmental staff paid via the payroll including the Executive Agencies and the European School Teachers. There are no contractors paid via the payroll in the department and therefore no contractor information has been included in the calculations.

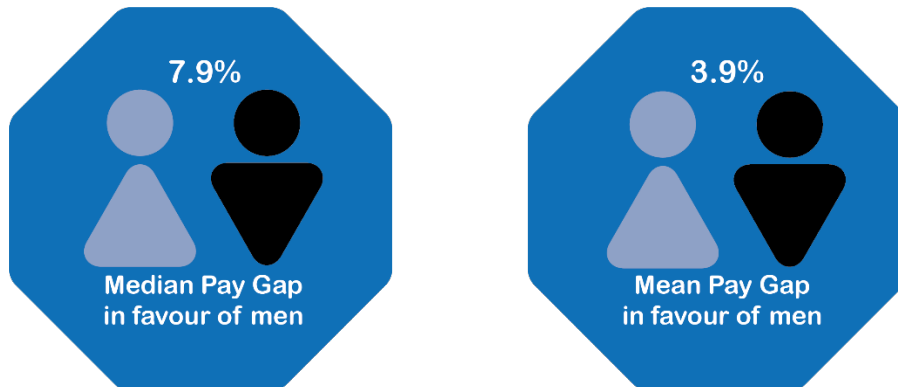
Comparing Methodologies

This year a slightly different approach has been taken to calculating the pay gap, looking at the difference between hourly pay using annual salaries as of 31 March 2020. This aligns with the Annual Civil Service Employment Survey (ACSES) approach. In previous

years pay received in March has been used to calculate hourly pay. It is therefore more difficult to directly compare the 2020 GPG figures to the trend over previous years. No change has been made to the gender bonus gap methodology.

Department for Education’s Gender Pay Gap

Overall position



Prior to 2020 the Department’s GPG had improved for the last 3 years. However, the table below shows that the median pay gap has increased by 2.6 percentage points in favour of males in 2019.

| | 2020* | 2019 | 2018 | 2017 |
|---------------|----------------|----------------|----------------|----------------|
| | Pay Gap | Pay Gap | Pay Gap | Pay Gap |
| Median | 7.9% | 5.3% | 5.6% | 5.9% |
| Mean | 3.9% | 4.1% | 4.5% | 5.3% |

** 2020 figures used an altered methodology to previous years.*

In order to test whether the difference between 2019 and 2020 is linked only to the revised calculation method, there has been a re-calculation of the 2019 pay gap using the same methodology as 2020. This is set out below and shows there has still been an increase in the GPG, this time by 5.7 percentage points.

| | Mean GPG | Median GPG |
|-------|-----------------|-------------------|
| 2020* | 3.9% | 7.9% |
| 2019 | 3.7% | 2.2% |

Causes of any change from 2019

The department has been on a consistent positive trend with regards the GPG for the last 3 years and so a review of the causes of any negative drift has been undertaken. This has identified links between the GPG outcomes and changes in the workforce composition over 2019, namely a significant increase in the number of women in the department which increased from 53.4% last year to 58.1% in 2020 (with a headcount increase of 650). While the Department has more women than men at all grades, because there are more junior staff than senior staff within the department, this results in a lower overall median for women.

The following table illustrates the percentage of females by grade in the last two years:

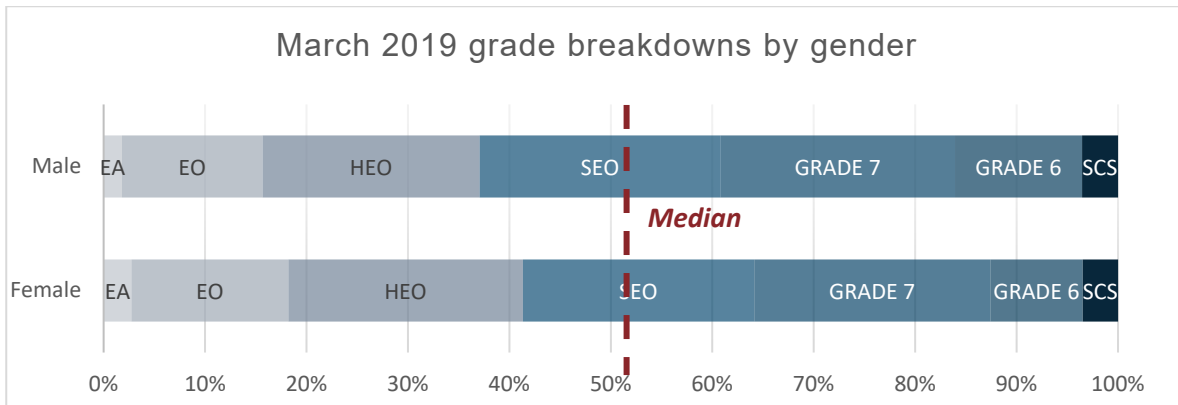
| | 2020 | 2019 | Difference |
|-------------------|-------------|-------------|-------------------|
| All | 58% | 53% | 5% |
| EA | 66% | 66% | 1% |
| EO | 61% | 58% | 2% |
| HEO | 59% | 56% | 3% |
| SEO | 59% | 51% | 7% |
| GRADE 7 | 58% | 54% | 4% |
| GRADE 6 | 51% | 46% | 5% |
| SCS BAND 1 | 56% | 53% | 3% |
| SCS BAND 2 | 55% | 50% | 5% |
| SCS BAND 3 | 50% | 33% | 17% |
| PERM SEC | 0% | 0% | 0% |

This has led to an increase of women in the lower middle quartile, increasing by 6.5 percentage points, and the upper middle quartile increasing by 5.5 percentage points from 2019.

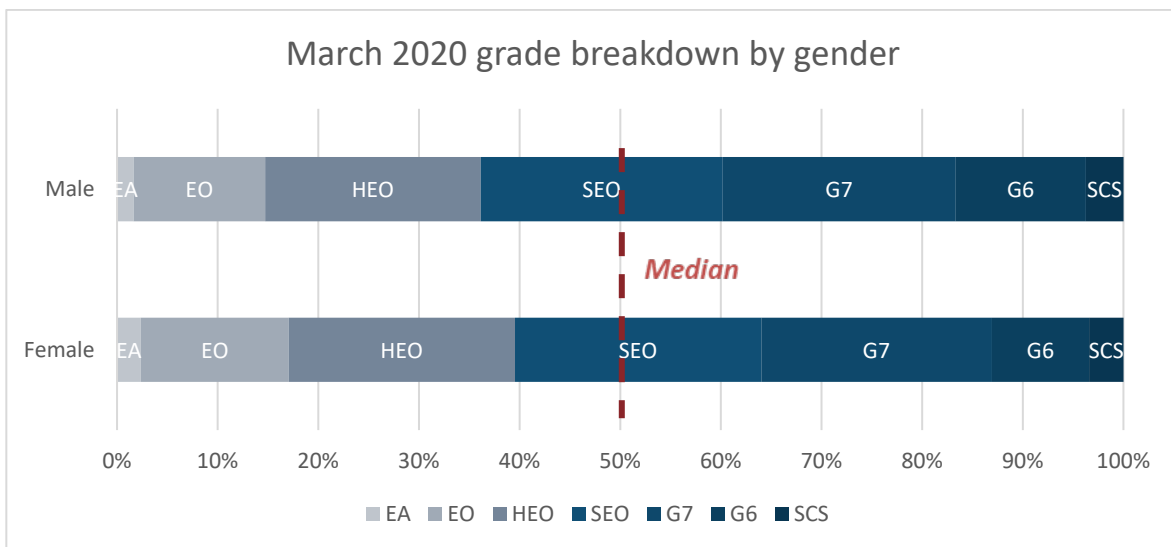
| | Lower quartile | Lower middle quartile | Upper middle quartile | Top quartile |
|-------------------------------|-----------------------|------------------------------|------------------------------|---------------------|
| <i>2020 figures*</i> | 60.2% | 59.0% | 57.4% | 54.6% |
| <i>Published figures 2019</i> | 57.6% | 52.5% | 51.9% | 50.2% |

*please note that the 2020 figures have used an altered methodology to previous years.

The graph below shows where the median salary sat for both men and women in 2019.



The next chart (2020) shows that whilst both the median male and female salary continue to be within the SEO pay band, the higher proportion of women in EA to HEO grades makes the median female salary move further towards HEO, whilst the median male salary has moved closer to G7.



A review of the causes of any negative drift has been undertaken. This shows that hourly pay gaps within grades show little to no gap and so there is no inequality within grades. The following table provides a breakdown of the median hourly pay gap by grade.

| | Median Gender Pay Gap |
|-----|-----------------------|
| EA | 0.0% |
| EO | -1.0% |
| HEO | 0.0% |

| | |
|--------------|--------------|
| SEO | -0.6% |
| Grade 7 | -1.8% |
| Grade 6 | 0.0% |
| SCS Band 1 | +3.2% |
| SCS Band 2 | +3.1% |
| SCS Band 3 | +2.2% |
| TOTAL | +7.9% |

However, there are differences if we separate out the London/national picture, with the GPG significantly in favour of males for those in the London payband across all grades compared to the national paybands. This data supports our location strategy, with the department’s recruitment focused on the national paybands which are significantly less skewed in favour of males.

Bonus Pay



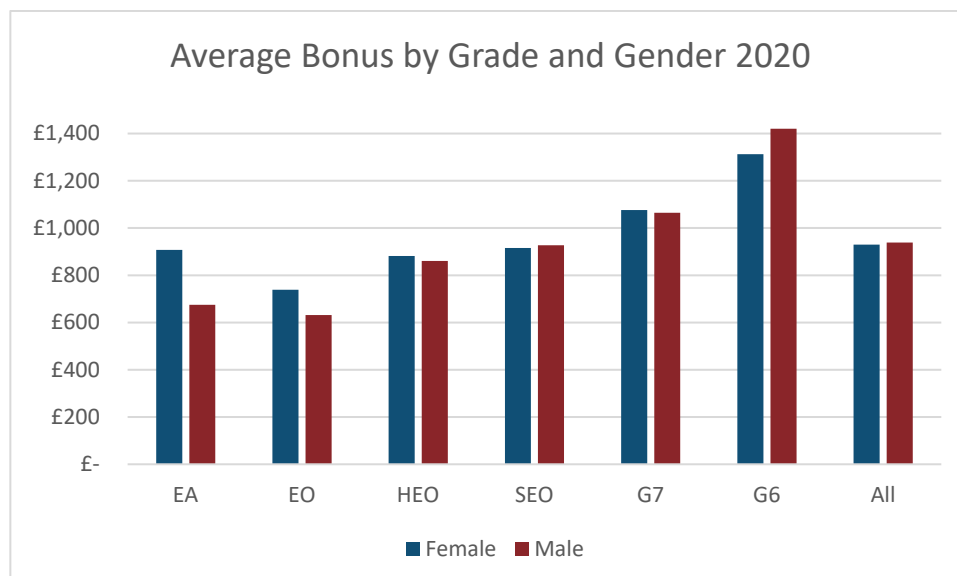
The department’s 2020 figures show an improvement in the median bonus pay gap when compared with last year. The following table details the bonus pay gaps for the last four years. The change in calculation method for 2020 has no impact on the bonus gaps so comparisons can be drawn between previous year’s figures.

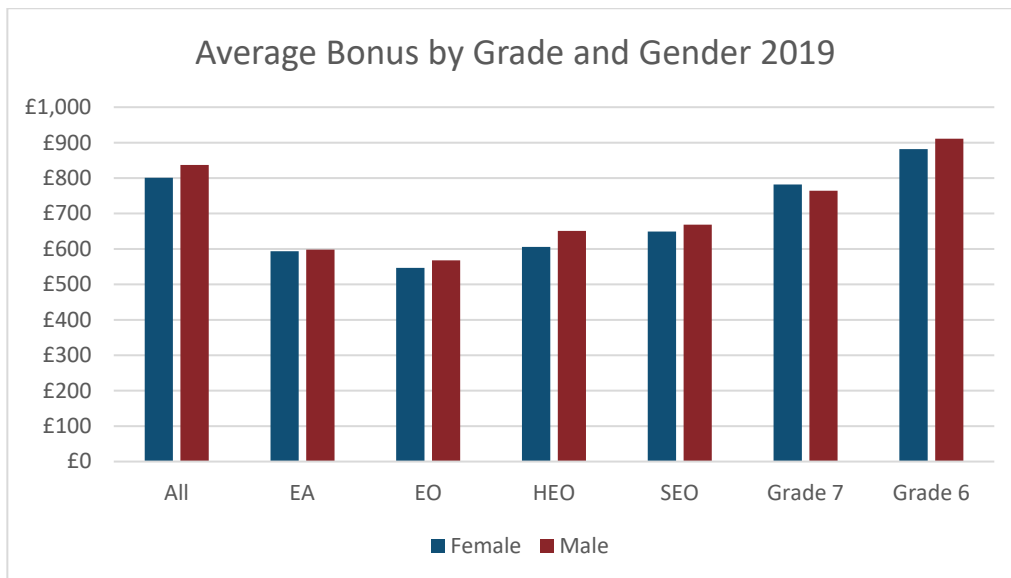
| | 2020 Bonus Gap | 2019 Bonus Gap | 2018 Bonus Gap | 2017 Bonus Gap |
|---------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Median | 0% | 3.80% | -2.00% | 0% |
| Mean | 1.60% | 4.30% | 2.20% | 0.80% |

The median bonus gap has closed from 3.8% in 2019 to 0% in 2020, with the mean bonus gap reducing by 2.7%. The table below shows that although a lower percentage of women received a bonus in 2020 (-1.8%) compared to 2019, the number of men and women receiving a bonus is nearly equal.

| | All Staff | Gender | |
|----------------------------------------|------------------|-----------|-----------|
| | | Female | Male |
| Employees receiving bonus | 6219 | 3617 | 2602 |
| Proportion receiving bonus 2020 | 85% | 85.9% | 85.6% |
| Proportion receiving bonus 2019 | 87% | 87.7% | 85.3% |
| Mean bonus | £1,068.83 | £1,061.53 | £1,078.99 |
| Median bonus | £985.00 | £985.00 | £985.00 |

One of the actions the department has been taking over the last few years is to encourage and support more level bonus awards (in terms of value) across grades. The graphs below illustrate that for junior staff, although the distribution of awards is still in favour of more senior staff, the average bonus for females in lower grades has increased for EA's from £594 in 2019 to £907 in 2020 and for EO's from £547 to £738. Closing the bonus Gap indicates real progress supported by the continued promotion over the last 12 months of the current reward system.

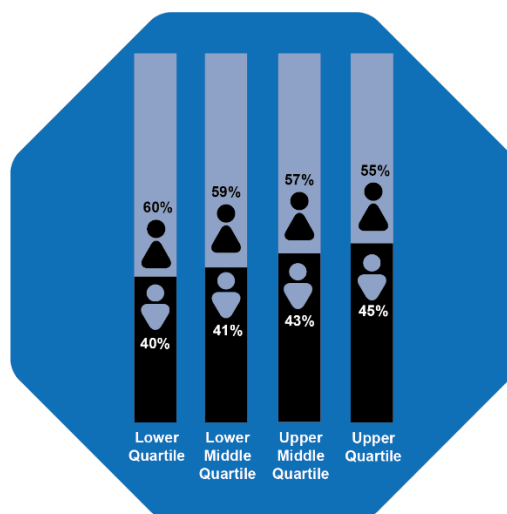




It is worth noting that the department has more control over the bonus pay gap than the overall pay gap, which is more subject to external factors, e.g. higher numbers of female applicants for more junior roles.

SCS staff have different bonus arrangements set centrally by Cabinet Office.

Pay by Quartiles



The workforce is divided into four quartiles according to hourly pay, with an equal number of employees in each section from smallest to largest. The overall percentage of women in the department has increased from 53.4% to 58.1% in the last year and so has the percentage of females in the SCS. 55.9% of the department's Senior Civil Servants were female compared with 51.7% in 2019.

The following table details the representation by gender in each quartile for the last four years:

| | Published Figures 2020 | | Published Figures 2019 | | Published Figures 2018 | | Published Figures 2017 | |
|------------------------------|------------------------|------|------------------------|------|------------------------|------|------------------------|------|
| | Female | Male | Female | Male | Female | Male | Female | Male |
| Lower Quartile | 60% | 40% | 58% | 42% | 60% | 40% | 61% | 39% |
| Lower Middle Quartile | 59% | 41% | 52% | 48% | 58% | 42% | 61% | 39% |
| Upper Middle Quartile | 57% | 43% | 52% | 48% | 57% | 43% | 55% | 45% |
| Upper Quartile | 55% | 45% | 50% | 50% | 53% | 47% | 53% | 47% |

The distribution of men and women in the pay quartiles continues to illustrate that the department's pay gap is largely as a result of a higher concentration of women in more junior grades. Despite having recruitment strategies in place to ensure women have the opportunity and ability to progress their careers within the department, women are more likely to remain in the junior grades for longer than men as detailed below.

| <i>Average time at grade (years)</i> | | | |
|---------------------------------------------|------|--------|-------------------|
| | Male | Female | Average for grade |
| EA | 4 | 7 | 6 |
| EO | 3 | 4 | 4 |
| HEO | 4 | 4 | 4 |

Closing the Gender Pay Gap

The department has undertaken a number of activities to focus on closing the GPG since first reporting in 2017 and continues to review and refresh all activities on an annual basis.

Actions over the last 12 months have included the following.

- Ensuring job adverts are free from gender bias language. All DfE staff have access to TextTIO, an augmented writing platform which helps vacancy managers to write job adverts which are more engaging and which reduces gendered language, suggesting alternative words to prevent job descriptions being too masculine.
- Promoting the In Year Award and Instant Reward schemes and encouraging wider nomination across grades at more consistent levels. Identifying trends that need targeting through completing a regression analysis to improve the bonus gap. This included promotion of peer to peer nominations to support the spread of awards across grades.
- Reviewing the impact of a new recruitment method (success profiles) on the gender balance of candidates appointed through external recruitment and internal promotion.
- Increasing the focus on developing routes into the department at EA/EO for apprentices and graduates to increase the number of employees at these grades and providing a springboard to profession-based careers.
- Establishing programmes for women returning to work from a career break to recruit them into the department, as well as continuing to promote Shared Parental Leave and Job Sharing to get managers to think differently about structuring roles.
- Ensuring that the GPG is taken into consideration when reviewing and updating the department's strategic workforce plan and location's strategy.
- Continuation of central controls on starting pay, particularly at more senior grades.
- Continuing to review on a six month basis a predefined set of data including recruitment, talent, starting salaries and In Year Awards to determine any impact or change on the department's GPG.
- Working with the women's network to develop a confidence toolkit to support career progression and sourcing RADA training for network members to support confidence in the work place .

Action Plan for the next 12 months

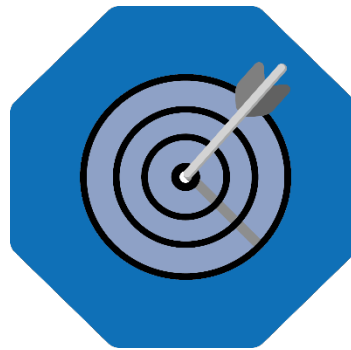
We are continuing to develop and progress actions to improve the pay gap with a focus on the following priority areas.



Continue to develop entry routes into the department that will build a more diverse workforce and continue to develop profession-focused routes into the department, with the aim to positively improve a more gender balanced representation in junior grades. All job applications are anonymised and all selection panels are mixed gender. Also look at what more we can do in terms of recruitment to address the unbalance in representation in the more junior grade to try and achieve a more even distribution of gender.



Ensuring women have the opportunity and ability to progress their careers within the department through talent management schemes, such as the Positive Action Pathway (PAP) that is open to all from protected characteristic groups. Those staff to successfully complete PAP are fast tracked through to interview stage for internal roles on promotion.



Taking targeted action as part of the annual pay increase to ensure pay differences in grades are reduced where possible. Review the introduction of the spot rate at EA and EO grades and consider whether that approach should be used wider and be introduced for grades HEO/SEO. Also raise further awareness how recruitment can have an impact on the GPG, by addressing higher starting pay, particularly at more senior grades. SCS individual pay cases to be managed via review from Leadership Team and both GPG and EPG impacts should be reviewed together to tackle emerging trends.



Supporting our departmental Women's Network. They actively promote gender equality, run upskilling events, promote campaigns and hold talks to inspire and support other women in the department.



Active support for women returning to work following maternity or adoption leave. We encourage employees to take advantage of shared parental leave, job share or part time opportunities, and have promoted the department's flexible working and family friendly policies to help line managers ensure those returning from maternity/adoption leave feel supported and welcomed. Work with the FutureDFE programme to keep the impact of Covid and any new ways of working under review to ensure that there is no negative impact on women.



Ensuring that gender equality is a central point in the departmental Diversity and Inclusion strategy.

Declaration

We confirm that data reported by the Department for Education is accurate and has been calculated according to the requirements and methodology set out in the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.

DfE Permanent Secretary: Susan Acland Hood



Tuesday 8th December 2020



Department
for Education

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