

# **HM Revenue and Customs**

## **Gender Equality Scheme**

**2010 - 2013**

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# Foreword

I am very pleased to introduce HMRC's Gender Equality Scheme.

For very sound business reasons, we need to ensure that all HMRC managers and employees understand what diversity and inclusion mean and why they are important to HMRC. Gender equality may be just one strand of this work but it is essential to nurturing the talent of our workforce and improving the service we provide to our customers.

I am delighted to see the high profile that gender equality has in HMRC. The very active involvement of a large number of people in our Equality Staff Networks is testament to the strong commitment and enthusiasm which many people have for this work. It is also very encouraging to see the progress that we are making being recognised and held up as best practice by some of the experts in the diversity and inclusion field, ie:

- Bernadette Kenny, HMRC's Gender Champion, a finalist for the Opportunity Now 2009 Champion's Award;
- our Senior Women's Network awarded the Opportunity Now 2010 national award for Advancing Women in the Workplace; and
- most recently, our Black, Asian And Minority Women's Network short-listed for the Race for Opportunity 2010 Employee Network Award.

This public acknowledgement of the work we are doing to support gender equality is important to us, but just as important are the small steps that are being taken, on a daily basis, by people across HMRC to make this Department a truly inclusive organisation, where skills and experiences are valued and developed.

**Dame Lesley Strathie, Chief Executive and Permanent Secretary, HMRC**

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**Please note**

***Throughout this document 'gender' includes 'transgender'; 'man' includes 'transman' and 'woman' includes 'transwoman'.***

# 1. Overview

We want our workforce to reflect the diversity of our customers and we want to develop and use the collective experience of that workforce to deliver high quality service. This Gender Equality Scheme (GES) provides the framework for taking forward the gender strand of that aim and to address the barriers that gender can create for our employees and customers. It sets out the actions we will take to fulfil our responsibilities under the Sex Discrimination Act 1975, as amended by the Equality Act 2006, and the Single Equality Act 2010. It also provides a very public commitment of our policy to eliminate all unlawful discrimination and harassment and to promote equality of opportunity between men and women.

Sections 2 to 5 of this document summarise what we do, how we are structured and our commitment to gender equality. Section 7 outlines the key objectives of this Scheme and includes our approach to procurement, our use of equality impact assessments, how we are creating an inclusive workplace, and how we are providing a fair and responsive service for our customers. The final section covers the consultation, monitoring and governance that will ensure this GES continues to evolve.

## **Action plan**

The accompanying action plan at Annex A details the specific actions we will take to deliver our key gender objectives and, in doing so, ensure that all our policies, procedures and ways of working do not have an adverse impact on our employees, stakeholders and customers because of their gender.

We recognise that measuring progress against these objectives will not always be easy and that the full impact of some of the actions in the plan may not be evident within its three-year lifespan. Monitoring processes are in place and are being refined and developed to track activity and to introduce new actions, as appropriate.

## 2. About HMRC

### Our vision and purpose

Our vision is to close the tax gap, to make the tax system simple and even-handed for our customers and to be seen as a professional and efficient organisation. Our purpose is to make sure that money is available to fund the UK's public services and to help families and individuals with targeted financial support.

### Our Activity

Our main business activity is to collect taxes, duties and National Insurance contributions and to make tax credit and Child Benefit payments. In 2008-09, over £435 billion in revenue was collected and over £35 billion paid out in tax credits and benefits. A list of the taxes, duties and benefits we administer can be found at Annex B.

As we are one of the Chancellor's departments our budget is allocated by HM Treasury.

### Our Structure

We employ approximately 80,000 people at 650 sites across the UK.

Four operational business units deliver front line services to our customers. They are:

- *Personal Tax* - supports 60 million individual customers across the UK to fulfil their tax obligations;
- *Business Tax* - assists businesses in paying the right amount of tax;
- *Benefits and Credits* - helps families to receive the benefits and tax credit payments they are entitled to; and
- *Enforcement and Compliance* - ensures that the full amount of money due is collected from UK taxpayers and investigates tax and duty offences.

Corporate service functions, a legal profession and a number of units that have specific remits to enhance the delivery of our strategic objectives support these four operational business units. A structure chart can be found at Annex C.

# 3. Legal framework

## Gender Equality Duty

The Gender Equality Duty (GED) is incorporated in the Equality Act 2006. It introduced a positive duty on all public sector organisations to promote equality of opportunity for men and women by requiring them to take action on the most important gender equality issues within their functions.

## The Equality Act 2006

The Equality Act 2006 (EA) amends the Sex Discrimination Act 1975 (SDA) and places a statutory duty on all public authorities to have due regard to:

- eliminating unlawful discrimination and harassment;
- promoting equality of opportunity between men and women.

Unlawful discrimination includes discrimination as defined by the SDA and discrimination that is unlawful under the Equal Pay Act 1970 (EqPA) (and as amended in 1983 and 2003). Public authorities are legally required to eliminate both these definitions of discrimination.

In the SDA, unlawful discrimination is defined as:

- direct and indirect discrimination on grounds of sex;
- discrimination on the grounds of pregnancy and maternity leave;
- discrimination on the grounds of gender reassignment;
- direct and indirect discrimination against married persons and civil partners;
- victimisation ;
- harassment and sexual harassment.

## **The Equal Pay Act**

The Equal Pay Act (1970) (EqPA) (as amended in 1983 and 2003) gives an individual the right to the same contractual pay and benefits as a person of the opposite sex in the same employment, or where the source of the pay is the same, and where a man and woman are doing:

- the same or broadly similar work;
- work which has been rated as equivalent under an analytical job evaluation study;
- work that is of equal value (work of equal value is where the work done is different but considered to be of equal value or worth in terms of demands such as effort, skill and decision making).

A public authority can pay a man more than a woman (or vice versa) in such circumstances if there is a genuine and material factor for doing so, which is not attributable to direct or indirect sex discrimination.

## **The Gender Recognition Act**

The Gender Recognition Act 2004 gives qualifying people the right to have their birth gender altered to their acquired gender through the issue of a Gender Recognition Certificate.

## **The Sex Discrimination (Gender Reassignment) Regulations 1999**

These regulations amend the SDA to prevent discrimination in relation to employment offers, terms and conditions and employment opportunities for people who have announced their intention to undergo, are undergoing or have undergone gender reassignment. It is not necessary for all three stages of gender reassignment to apply for discrimination to have taken place.

## **The Single Equality Act 2010**

We are reviewing our policies, practices and guidance in the light of the Equality Act and in preparation for the changes that come into effect in October 2010.



## 4. Our strategy for diversity

Our approach to promoting equality and valuing diversity is all-encompassing and focuses on not only the need to comply with legislation but also on identifying and developing best practices.

We take gender equality issues into account in how we function as an employer and service provider. We welcome the opportunity provided by the Gender Equality Duty to enhance our understanding of and commitment to gender equality in policies, procedures, operations and service delivery.

### **HMRC's Diversity and Inclusion Strategy**

Our Diversity and Inclusion Strategy (DIS) reflects our drive to mainstream equality and inclusion into every aspect of our work. It covers our diversity and equality aims in response to the *Civil Service Diversity Strategy – Promoting Equality and Valuing Diversity*. It recognises that employees have different skills, different ways of thinking and working, different knowledge and experience, and the need to harness these differences for the benefit of our business and customers.

The Diversity Inclusion Strategy can be viewed at Annex D. The Diversity Delivery Plan is available on request.

# 5. Making progress on gender equality

We have been active in progressing gender related activity across HMRC. With the support of our Gender Champion, Bernadette Kenny, and our Transgender Champion, Mike Eland, we have listened to and addressed the concerns of our gender and transgender staff networks, monitored feedback from employee surveys and customers.

## Our Gender Champions and networks

Bernadette Kenny, Director General Personal Tax and Mike Eland, Director General Enforcement and Compliance, are very proactive in supporting and promoting gender and transgender issues across HMRC. Bernadette is a keen supporter of our Senior Women's Networks and sits on the Board of Opportunity Now. Her commitment to gender equality was recognised in 2009 when she was a finalist in the Champion's Award category of the 2009 Opportunity Now awards.

Mike Eland provides resource for the cross-government transgender group and has sponsored a number of joint ventures with the Lesbian, Gay & Bisexual (LGB) network. These include: a LGB & Transgender conference; a booklet on the history of LGB & Transgender equality in HMRC and its former departments; and a publication to help LGB & Transgender customers understand how their personal circumstances relate to their tax, National Insurance and Child Benefit obligations.

The work of our Carers' Champion, Steve Lamey, Director General, Benefits and Credits, has also touched on gender. The Carers' Network, which Steve promotes, was set up to help employees with carer responsibilities maintain a healthy balance between their work and caring responsibilities. The majority of members are women and the network aims to: provide advice, information and support to employees with caring responsibilities and their managers; promote understanding of the pressures that carers can face and reduce the sense of isolation experienced by some carers.

Our Gender Employee Network, with a membership of 236 employees, has over the last few years spawned a number of sub networks. These include a Senior Women's Network (SWN), a Very, Very Senior Women's Network, and a Black, Asian and

Minority Ethnic (BAME) Women's Network. The Senior Women's Network won the Opportunity Now 2010 national award for Advancing Women in the Workplace. The Network has over 500 members and is very active in providing information, developmental opportunities and role models for its members, through a dedicated page on HMRC's intranet and regular newsletters. It has also supported the development of locally-based networks for HMRC women in different business and geographical areas. Across the Civil Service, HMRC led the way in setting up a network for 'Senior and Aspiring Women' in the West Midlands as part of the Civil Service in the English Regions (CSER) project.

The Black, Asian and Minority Ethnic (BAME) Women's Network is the first cross-government group to focus on BAME women and has recently been short-listed for the 2010 Race for Opportunity Employee Network Award. It was launched in December 2009 and aims to encourage BAME women to develop the skills, knowledge and confidence to progress within HMRC and achieve their potential. This, in turn, will help us to deliver a better, more informed service to our very diverse customer base. Through a range of activities, eg work-shadowing, mentoring, workshops, role models and reverse mentoring of senior staff by BAME women, the network is growing confident women who are able to recognise and take advantage of opportunities and career progression paths.

Our Transgender Network has 49 members. During 2009-10 it piloted a sophisticated, on-line Community of Interest, to allow genuine networking opportunities between all the members of the network. This has been very successful in helping to reduce the feelings of isolation that transgender people can experience in the workplace as it allows people who wish to retain their privacy about their gender status to participate in the COI anonymously if they wish. The success of this forum means that it will be rolled out to HMRC's other diversity networks in 2010-11.

### **Measures and monitoring**

Measuring and monitoring gender diversity provides us with one of our main sources of information for ensuring that gender barriers are eliminated within HMRC. Our 2010-11 Business Plan includes a measure for gender progression to senior grades ie: to increase the representation of women in the Senior Civil Service (SCS) feeder grades to 35%, which is in line with the Cabinet office target for 35% of women in the SCS by 2013. This measure also features in our Permanent Secretary's performance contract and progress is reported monthly to our Performance

Committee. Although we have also set ourselves a target of 35% of women in the SCS by 2011 we are mindful that the freeze on Civil Service recruitment, coupled with limited promotion opportunities due to downsizing, will severely restrict opportunities for women to progress to the higher grades in the short term.

We monitor many of our HR functions for gender equality including: representation, performance appraisals, appointments and promotions, development programmes, pay and grievances.

*i) Female representation by grade*

Women are well represented in HMRC as a whole, comprising 59% of the workforce, compared to 45% of the UK economically active population. However, they are under-represented at HO grade and above. Many of the workplace actions in our plan are aimed at addressing this under-representation.

	AA	AO	O	HO	SO	T	Gd7	Gd6	SCS	All
HMRC	65.37%	66.68%	58.55%	45.29%	39.05%	39.72%	39.04%	33.42%	33.68%	59.00%
Personal Tax	67.17%	66.09%	60.72%	51.13%	49.08%	66.67%	51.77%	37.93%	45.90%	64.02%
Enforcement & Compliance	69.68%	68.20%	56.47%	41.05%	32.08%	37.50%	35.16%	25.29%	24.14%	55.05%
Information Management	60.00%	68.85%	47.72%	46.48%	39.63%	-	35.65%	41.67%	16.67%	44.21%
Finance	36.65%	64.81%	49.38%	56.09%	43.80%	100.00%	29.17%	37.50%	18.18%	47.09%
People Function	79.17%	68.37%	73.60%	62.01%	60.36%	42.03%	58.49%	53.85%	61.54%	66.47%
Business Tax	64.43%	65.26%	63.13%	43.85%	36.06%	50.00%	34.87%	30.96%	29.10%	50.12%
Benefits & Credits	66.45%	66.47%	64.68%	62.42%	55.38%	Too few	58.82%	58.82%	45.45%	65.65%
Solicitor's Office	71.43%	72.73%	54.55%	50.00%	29.41%	62.50%	57.14%	53.33%	41.67%	56.15%
HMRCBoard	57.14%	62.73%	54.25%	52.48%	41.77%	34.29%	43.75%	31.25%	40.00%	47.92%
Other Offices	-	60.00%	50.00%	92.86%	68.97%	-	71.43%	28.57%	100.00%	68.57%

Whilst some of our business areas have healthy percentages of women in the more senior grades and across the spectrum, in other areas, such as the higher grades in Information Management, Finance, and Enforcement & Compliance, women are significantly underrepresented. We are working with the Diversity Leads in the relevant business areas to identify and address the issues that may be causing this under-representation.

Looking at the top level of SCS, the figures can be broken down further by those at SCS1 and 1A and those in the very top grades of SCS 2 and above. At 31 March 2010, the split here shows:

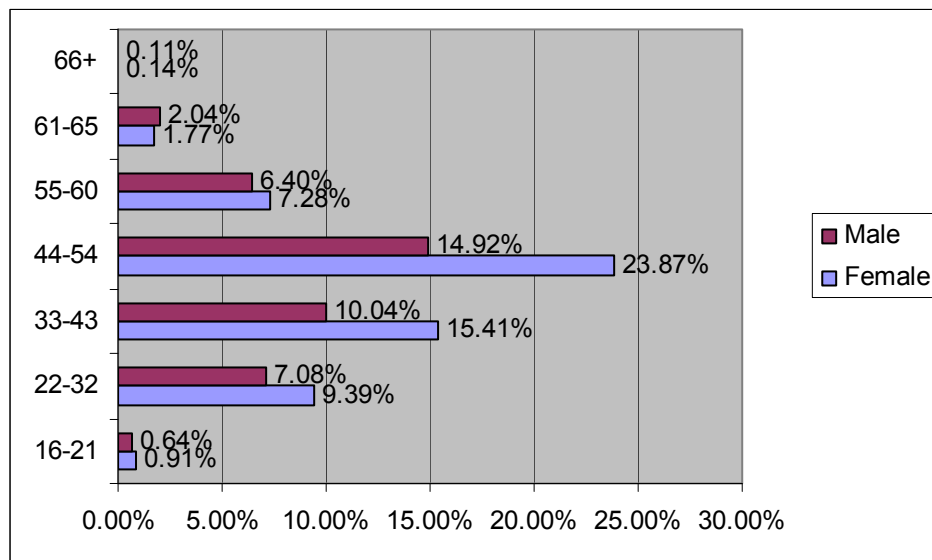
	Female	Male	Total	% of Females
<b>SCS2 &amp; Above</b>	17	42	59	28.81%
<b>SCS1 &amp; 1A</b>	111	214	325	34.15%

In this respect, HMRC's top-level representation of women is in line with that of the Civil Service as a whole: women in the SCS 34.3% and in top management posts 27.2% (based on 2009 figures for the Civil Service).

**ii) Gender by age**

We are increasingly extending our diversity monitoring and analysis to examine the relationship between the different diversity strands. We have analysed the age diversity of men and women in HMRC and, through our Age and Carers' Networks, we will be exploring and seeking to address the issues and barriers which people can face at different times in their lives.

	16-21	22-32	33-43	44-54	55-60	61-65	66+	Totals
<b>Female</b>	0.91%	9.39%	15.41%	23.87%	7.28%	1.77%	0.14%	58.77%
<b>Male</b>	0.64%	7.08%	10.04%	14.92%	6.40%	2.04%	0.11%	41.23%
<b>Total</b>	1.55%	16.47%	25.45%	38.79%	13.68%	3.81%	0.25%	100.00%



### iii) Performance appraisal

The analysis of our performance appraisal box marking for 2009-10 is shown in the table below and highlights no apparent discrepancies between male and female assessments.

Gender	Male	%	Female	%	Total	%
Top	6,403	17%	8,895	17%	15,298	17%
Good	29,682	80%	41,012	79%	70,694	80%
Needs Improvement	507	1%	384	<1%	891	1%
No Assessment (Cat 1, 2 & 3)	142	<1%	820	2%	962	1%
No Assessment Required	326	<1%	611	1%	937	1%
Poor Performance	46	<1%	20	<1%	66	<1%
Grand Total	37,106	100%	51,742	100%	88,848	100%

### iv) Joiners and appointments

Whilst we still need to see more women in our top jobs, in 2009-10 180 women joined HMRC compared with 112 men. The number of people promoted was also weighted towards women, with 563 progressing to higher grades compared with 497 men. This trend continues with our National Talent Pool, which identifies employees with the potential to reach the SCS and has a gender breakdown of 46% men and 54% women.

### v) Tax Professionalism Programme

We monitor our employee development and professionalism programmes to identify and address any barriers or gender inequalities. This includes monitoring applicants and successful appointees to our Tax Professionalism Programmes, which form an important element of employee development and are key to our service delivery. The gender split from the 2010 Programmes is shown below.

Programme	Applicants		Appointed	
	Female	Male	Female	Male
Tax Professional Development Programme (Applicants from TPDP 2009 reserve list)	7 (27%)	19 (73%)	2 (50%)	2 (50%)
Accelerated Tax Professional Development Programme	133 (37%)	227 (63%)	19 (39%)	30 (61%)
Business Driven Development Programme (Figures for 'Appointed' based on places allocated to date)	1729 (47%)	1914 (53%)	41 (37%)	70 (63%)
<b>Totals</b>	<b>1869 (46%)</b>	<b>2160 (54%)</b>	<b>62 (38%)</b>	<b>102 (62%)</b>

We will continue to monitor carefully the applicants and those who are appointed and complete these Programmes. As an alternative to the Tax Professional Development Programme, we are promoting the 'career tax professional' route. This means that everyone has access to the same quality training material but those not on a development programme can, with the support of their manager, train at their own pace. This makes it much easier for people with caring responsibilities and those with alternative working patterns to work as tax professionals.

#### vi) Grievances

Of the grievances brought within HMRC last year, 52% were from women and 48% from men. We are analysing the reasons for diversity-related grievances to identify issues and problem areas, which we will address proactively for the future.

#### Equal Pay

As part of the transition from the former Inland Revenue and HM Customs & Excise pay scales to a unified HMRC pay system, a major assimilation exercise took place in June 2006. This exercise enabled men and women from the two former departments to be given equal treatment for equal service and performance in their respective grades.

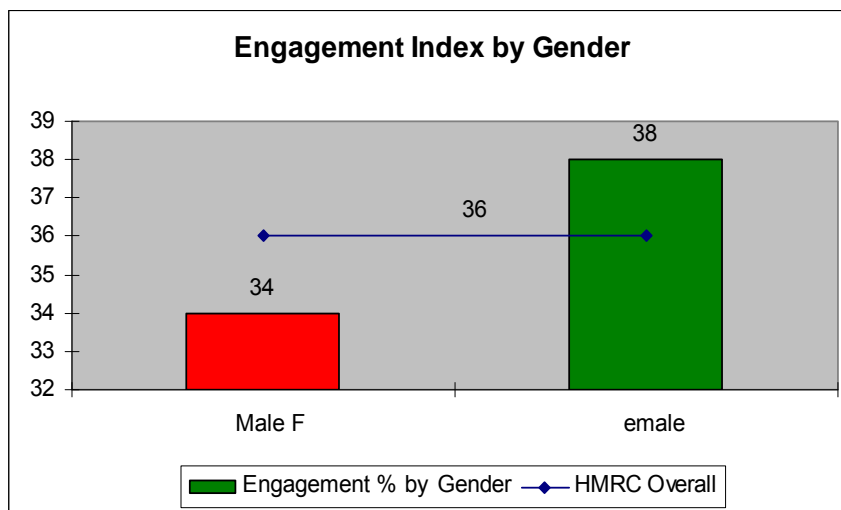
A mini pay review took place in September 2008 with commitment for a full equal pay review in 2010. We remain committed to equal pay and will monitor our performance annually throughout the organisation.

## Equality Impact Assessments

We have a rolling programme of equality impact assessments (EQIAs) to address gender equality in existing policies and new policies and change programmes. Recent EQIAs have covered resolving issues and talent management. Conduct and discipline and employee appraisal EQIAs are in the pipeline.

## Employee surveys

We are monitoring gender in the findings of our employee surveys. As can be seen from the table below, the engagement level of women is 4% higher than for men.



## Helping in the community

We have an active community involvement programme, which focuses on helping our customers, particularly those living in deprived areas. Gender targeted assistance has included: our Tax Credits employees attending 'Bump and Beyond' days to provide advice and information on tax credits, Child Benefit, the Health in Pregnancy Grant (HiPG) and the Child Trust Fund to new and expectant mums; and staff from our Preston office leading a drive to gather items such as toys, cooking utensils and clothing for donation to a local women's refuge.

## Gender in the workplace



We have made diversity training mandatory for all managers and employees. In addition, we have developed awareness-raising learning packages on a number of specific diversity strands including:

- An Introduction to Gender Awareness
- An Introduction to Transgender Awareness

We are monitoring the take-up of these learning products across HMRC and encouraging everyone to complete this training to increase their diversity awareness.

### **Support for carers**

As it can be difficult for our employees to combine their childcare or adult care responsibilities with work, we offer a support package that includes:

- a childcare voucher scheme
- salary advances to cover nursery and childcare costs;
- alternative working patterns;
- special leave;
- maternity/paternity and adoption leave; and
- parental leave.

The Childcare Voucher Scheme works by employees agreeing to 'sacrifice' part of their pay in return for Childcare Vouchers to the same value. The vouchers are exempt from tax and NIC (National Insurance Contributions) and so offer a real reduction in childcare costs.

In some circumstances, we can also provide financial support to help employees meet the additional childcare or adult care costs that may incur as a direct consequence of being required to make a temporary change to their normal working pattern.

### **Working with our customers**

Through our Individuals Customer Directorate, we have been working to understand the impact of HMRC's service delivery on different demographic groups. Our initial emphasis has been on customers with disabilities but we are now applying the same rigour to gender and race.

In 2009, following research into the uptake of Tax Credits, we conducted a campaign specifically targeted men in the over-50 age group to raise awareness of their entitlement to Tax Credits and boost take-up rates.

### **Working with our suppliers**

We have published information to make our suppliers more aware of our obligations under diversity legislation. We are addressing diversity in the supply chain through our use of specialist software.

### **Gender Reassignment policy**

HMRC's gender reassignment policy has been commended by a:gender - the Civil Service support network for transsexual, transgender and intersex staff - as 'best in class'.

We have developed comprehensive guidance which highlights the legal aspects and provides practical guidance for transgender staff, their managers and HR. It covers the important issues around transition and confidentiality and provides a signpost to employees needing to transition that they will be well supported. The guidance gives managers a good understanding of the issues and, most importantly, tells them what they need to do to support the individual. We treat gender reassignment-related absence as paid special leave and also recognise the parallels with the personal development needs of any individual taking on a new role. As well as supporting trans people through a stressful time, this approach demonstrates a strong commitment to diversity, at little cost, and is best practice which a:gender actively encourages other departments to follow.

## 6. Consultation

We are grateful to the individuals and groups, from inside and outside of HMRC, who have helped us in putting together this GES.

A Steering Group comprised of Bernadette Kenny, Director General, Personal Taxes and Gender Champion, Judy Greevy, Head of Corporate Responsibility, Diversity and Wellbeing, and Diane Wailes, Senior Diversity Manager has overseen the consultation process and sought views from:

- Diversity Employee Networks
- employee input via the departmental intranet site; and
- national gender organisations (such as Opportunity Now) through its normal consultation processes.

Ideas and suggestions have also been considered from individual customer and official customer groups.

Other input was received from:

- HR Policy Teams
- Trade Union Groups
- HMRC's Internal Audit Division

# 7. The key objectives for this GES

In taking account of the progress we have made on gender equality and feedback from our gender consultation process, we have established four high level objectives for this Scheme, ie to:

- ensure our **procurement procedures** meet gender equality requirements;
- carry out **equality impact assessment** for policies and procedures;
- create an **inclusive workplace** for our employees that is free of gender barriers; and
- make it easier for our **customers** to engage with HMRC, irrespective of their gender.

The four areas covered by these objectives form the key components of our Action Plan at Annex A and are expanded on below.

## **Procurement procedures**

We are committed to:

- revising standard terms and conditions for contracting out service to include information about the Sex Discrimination Act (SDA) and the Equal Pay Act 1970 (EqPA);
- ensuring that relevant government guidance on social or equality issues in procurement is considered;
- including a requirement in every contract that the contractor must comply with the anti-discrimination provisions of the equality legislation, the EqPA and HMRC's own equality policies;
- where relevant, specifying what evidence the contractor may need to gather to demonstrate compliance with the general or specific duties of the Gender Equality Duty and HMRC's equality policies;

- ensuring that gender equality is reflected appropriately in the specification, selection and award criteria, and the contract conditions, in a way which is consistent with EC and UK procurement rules;
- verifying that contractors fully understand any gender equality requirements of the contract;
- monitoring performance of gender equality, where relevant to the contract; and
- providing training for all staff involved in procurement work so that they fully understand the provisions of the SDA and EqPA and the relevance of the gender equality duty to their area of work.

To monitor our suppliers more effectively, we have been piloting CAESER (Corporate Assessment of Environmental, Social and Economic Responsibility), a software evaluation tool, which verifies the diversity and equality policies and practice of our suppliers from the tendering process through to the time when the contract expires.

### **Equality Impact Assessments (EQIAs)**

Our full Equality Impact Assessment involves an eight stage process ie:

i) Identification of policy aims; ii) consideration of available data and research; iii) assessment of the likely impact on race equality; iv) consideration of measures or alternative policies; v) consultation; vi) a decision; vii) arrangements to monitor and review the way the policy works; and viii) publication of the results.

If an EQIA identifies a potential adverse impact on gender and there is no alternative policy, we will take steps to lessen any adverse impact. Special monitoring and analysis will be used to confirm the extent of the adverse impact and / or the success of any mitigating measures.

We have developed a package of online guidance for staff to support them in carrying out EQIAs. The guidance is too large to include with this scheme but can be provided on request.

Directors are responsible for ensuring that compliant and effective EQIA work is identified and undertaken. Our Corporate Responsibility, Diversity and Wellbeing Team (CRD&W) provides support and policy advice on EQIA work. Every full EQIA

is subject to final quality assurance for compliance with the Gender Equality Duty before publication.

To promote openness in the EQIA process, we

- make publicly available the outcome of any equality impact assessment, subject to Budget confidentiality rules, as part of the publication of Regulatory Impact Assessment or as part of the annual reporting process on this GES;
- make available consultation documents, once prepared, showing involvement of different diversity groups;
- include results of the consultation in the final equality impact assessment; and
- publish the results of monitoring, where appropriate, as a summary in our Annual Report or other relevant publication.

Any material we publish on EQIAs covers: the aims of the policy; details of the outcome of the assessments, highlighting whether there is any adverse impact and how it should be mitigated; details of any consideration given to alternative policies and recommendations for action to take.

### **An inclusive workplace**

Our employees have access to a copy of the Gender Equality Scheme through our intranet site. Alternative formats are available on request. Business Heads have responsibility for ensuring that appropriate communications and learning take place within their business area to enable employees to fulfil their gender responsibilities.

We are using training opportunities, our in house magazines - Pulse and 20/20 - and our intranet newsroom to communicate the commitment of our Executive Committee and senior managers to gender equality. Staff survey results are analysed to provide feedback on the different perceptions of men and women across HMRC as a whole and for each business stream.

Our awareness and training programmes include:

- **Induction** - a mandatory online programme for new staff. Diversity is one of the subjects, which all new entrants have to cover during their first week in the organisation. This training provides links to the Diversity and Equality guidance.
- **Online diversity awareness;**

- **Delivering Diversity for HMRC and Diversity Awareness for HMRC Managers;**
- **Diversity on the Frontline** - for employees who have direct contact with our customers;
- **Online Diversity, Equality & Inclusion Series** - launched in August 2009 and incorporating a module on gender awareness. The module helps staff to understand what the law says on gender and includes packages entitled *An Introduction to Gender Awareness* and *An Introduction to Transgender Awareness*;
- **Developing Confident Managers** – covers managers' legal and policy responsibilities, and embedding diversity, inclusion and equality in day to day activities.

New training is under development for all staff involved in recruitment selection, sifting and interviewing processes.

Recognising that women are underrepresented at senior grades, we are introducing a number of development programmes as a positive action measure to address this imbalance. They include **Achieving Your Potential** – an on line self-paced learning programme

We also provide a range of development opportunities, including mentoring and coaching, through our Gender and Senior Women's networks.

Communications across our Gender Employee Network are to be enhanced with an electronic community of interest. This will be complimented by improved communications on development opportunities.

### **Working fathers**

During 2009, over 400 HMRC fathers took part in a research project looking at the needs and aspirations of working fathers. We worked with the business psychologists Robertson Cooper, on behalf of the charity 'Working Families' and Lancaster University to find out how fathers within HMRC juggle their home and work responsibilities and the impact this has on them.

The responses from this survey have given us a clear picture of how working fathers in HMRC are feeling – including their levels of engagement, health and wellbeing. We are using this information to inform our future diversity and communication plans, for example by communicating the flexible working options that are available within HMRC, targeting fathers in particular.

### **Equal Pay**

Each year we undertake and publish a comprehensive Equal Pay Audit; we will continue to do so and to act upon the findings.

### **Gender-related customer service**

From our customer research, we have identified the need to undertake a more detailed research project to give us a better understanding of the impact of our business on different gender, race and disability groups. The aim is to identify:

- the profile of HMRC's customers for different products and services in relation to their gender, race and disability, and
- which areas of our services are perceived to pose greatest risk for discrimination and, conversely, offer greatest potential for promoting equality.

The findings of this research will also inform the selection of priority actions to be taken, as required under the Single Equality Act.

In relation to gender, the project will establish:

- the gender profile of our customers;
- who the key audiences are for our different products;
- what particular difficulties women and men have had, or may have, in accessing and using our products; and
- what feedback can be given by representative organisations about issues experienced by women and men when dealing with HMRC.



# 8. Going forward

## Action plan and continuing involvement

The action plan at Annex A lists the specific tasks we will take to progress this Scheme, along with the timescales and the teams / individuals who will lead the work. Staff and customers will be consulted at regular intervals and any further actions or amendments will be actioned as required.

We will promote involvement by:

- ensuring access to information, including Braille, large print, audio cassette, and languages other than English;
- identifying and involving a range of appropriate customer groups;
- consulting with the Equality and Human Rights Commission on issues relating to gender equality;
- enabling employees to participate through the Gender Employee Network, the Transgender Network, the Senior Women's Network, the BAME Women's Network and the Carers' Network
- working with the 'diversity leads' in each of our business areas to develop and implement Directorate Diversity and Inclusion plans; undertake EQIAs; and ensure employees and managers are aware of their responsibilities under equality legislation;
- working with representatives from our Trade Unions to take forward diversity and equality issues.

## Monitoring and data

This GES will be reviewed annually, with a comprehensive update carried out every three years.

We already set and monitor targets for gender across employment processes and use EQIAs to determine the impact our policies have on the requirements of the Equality Act and Equal Pay Act.

Data for monitoring will continue to be gathered from: employee and customer surveys; feedback from employee networks/forums; Internal Audit research; external research and consultative groups.

## **Governance**

### **Key roles**

- Our Executive Committee (ExCom), led by Lesley Strathie, has overall accountability for this GES.
- The Director General Personal Tax (Executive Committee Gender Champion) and Director General Enforcement and Compliance (Executive Committee Transgender Champion) ensure that gender diversity is considered as part of strategic decision making.
- The Head of Corporate Responsibility, Diversity and Wellbeing influences and co-ordinates action to build gender equality into all that we do.

### **Committees and groups**

- The People Matters Committee, which is a sub committee of ExCom, has an assurance role and will monitor GES progress at least annually.
- The Directors General on the Executive Committee are responsible for implementing this GES in their business areas.
- The Gender and Transgender Staff Networks, their sub groups and the Individuals Customer Directorate provide feedback and advice on implementation and new areas for action.

# 9. Contact

## Alternative format requests

This document is published on the HMRC website at <http://www.hmrc.gov.uk>.

Alternative format requests for large print, Braille or audio cassette versions should be sent to: HMRC, Visually Impaired Media Unit, 2<sup>nd</sup> Floor, Victoria Street, Shipley, West Yorkshire, BD98 8AA. Tel: 01274 539646.

## Questions

If you have any questions about this document or would like to make a comment, please contact:

CR Diversity & Well-Being Team

Second Floor

Yorke House

Castle Meadow

Nottingham

NG2 1BG

Email: [crunit@hmrc.gsi.gov.uk](mailto:crunit@hmrc.gsi.gov.uk)

## Complaints

We have an established complaints process within which we address issues relating to equality of opportunity, including for failing to meet the commitments made in this GES, by:

- considering complaints where we have not fulfilled our statutory obligations;
- aiming to resolve any such complaints as quickly as possible; and
- providing a full and timely response.

We will continue to ensure that the complaints process is fully accessible to our customers and employees.



# Annex A Gender Equality Scheme Action Plan

Our Action Plan will be reviewed and refreshed yearly to help us to monitor and evaluate progress and to identify new actions on improving gender equality.

Corporate Responsibility Diversity & Wellbeing will work closely with business areas to provide advice and assistance in taking forward these actions and producing annual outturn reports. Our diversity and equality policies will be fundamental to our approach to change. We will involve our customers and employees in exploring issues and solutions and provide them with feedback on our response to their contributions.

This plan has five sections:

1. Overarching activity
2. Procurement processes
3. Equality impact assessments
4. An inclusive workplace
5. Customer service

Task/Activity	Action Required	Lead Responsibility	Progress Update	Outcomes	Date
<b>1. Overarching activity</b>					
i. Review update and publish annually a revised action plan for the GES progress.	Annual review of the GES. Interim six monthly progress reviews. Consultation with stakeholder groups	CRD&W		Updated action plan reflecting progress made, new actions and feedback form consultation	12/10 onwards

<b>Task/Activity</b>	<b>Action Required</b>	<b>Lead Responsibility</b>	<b>Progress Update</b>	<b>Outcomes</b>	<b>Date</b>
ii. Ensure a coordinated approach to gender monitoring and report outcomes annually	Analysis of data, survey results, EQIAs and customer monitoring.	CRD&W / KAI	.	Results used to inform ExCom and senior managers of issues for action. Plan updated to reflect new priorities and actions	06/10
iii Monitor performance on Business Plan gender related measures	Monthly reports provided to the Performance Committee	CRD&W / KAI		Awareness at senior levels of progress being made regarding representation of women at senior grades and the impact downsizing has on these measures	Ongoing
iv. Review how we involve customers, employees and key stakeholders in setting gender and transgender priorities	Conduct a review of current arrangements. Report findings and recommendations	CRD&W / ICD		Better understanding of what the priorities should be.	06/11
v. QA/QC advice on gender related issues given by HR Centre of Expertise and HR Service Centre	Publish results of QA / QC	CRD&W		Refinements made to ensure consistent advice is being given on diversity issues.	12/10
vi. Develop guidance on interaction between age and gender legislation	Publish new guidance	CRD&W		Staff and managers made aware of the links between the two sets of legislation. Barriers identified and removed	03/11

Task/Activity	Action Required	Lead Responsibility	Progress Update	Outcomes	Date
vii. Be clear on the gender implications of the Single Equality Act and the actions that HMRC needs to take in response	Examine the new Act for changes in gender and transgender related policies	CRD&W / Sol's Office		Clear guidance on policy or behavioural changes	09/10
<b>2. Procurement processes</b>					
i Review contract guidance to ensure it fully reflects HMRC legislative requirements for gender and verify that contractors understand their gender obligations	Review and update guidance as necessary	Commercial		Suppliers comply with gender legal provisions	Ongoing
ii Review pilot of CAESER software tool to verify the diversity and equality policies of our suppliers	Complete pilot and report results Continue with CAESER if appropriate	Commercial		Assurance that suppliers have adequate policies in place	09/10
iii. Monitor contract performance where gender equality is relevant	Regular reviews	Commercial		Assurance that contracts are gender proofed.	Ongoing
iv Provide training for procurement staff on the provisions of the SDA and EqPA for their work	Produce training and make available	CRD&W / Commercial		Increased gender awareness amongst procurement staff, which translates into contracts	03/11
<b>3. EQIAs</b>					
i. Carry out EQIAs on the policies areas listed as high	Thorough equality impact screening	Business Units		Findings and recommendations are	12/10

Task/Activity	Action Required	Lead Responsibility	Progress Update	Outcomes	Date
priority for gender	priorities identified, if appropriate, and built into business plans. EQIA findings produced and actioned			published for consultation with a range of stakeholders. Action taken to mitigate unfavourable outcomes.	
ii. Publish outcomes of equality impact assessments	Report findings	CRD&W		Staff, customers and the Commissions are aware of the EQIA work that has been carried out and the results.	Ongoing
iii. Continue to ensure that gender and transgender implications are screened as part of the Regulatory Impact Assessment process	Continue screening	Policy divisions / CRD&W		Budget starters are screened for diversity impact	Ongoing
<b>4. An inclusive workplace</b>					
i. Increase awareness of gender and transgender for staff and managers	Staff complete mandatory training and the <i>Gender and Transgender Awareness</i> modules  Enhancements made to diversity intranet sites	CRD&W	Staff awareness training developed and effective training package agreed. Changes to intranet site identified and have been incorporated into diversity site modifications.	Staff and managers complete training and are aware of their obligations under the GED. Impact of gender raised in day to day activity. Equality of opportunity increased.	Ongoing
ii. Monitor staff survey and exit questionnaires to consider specific gender issues	Action plan required to address recurring themes	CRD&W	Ongoing analysis undertaken to identify trends and barriers	Identification of barriers and trends used to remove gender barriers	Ongoing



Task/Activity	Action Required	Lead Responsibility	Progress Update	Outcomes	Date
				and raise managers' awareness of potential problems	
iii Continue to promote the different gender and transgender employee networks and the opportunities they provide	Regular publicity	CRD&W		Wider pool of employees for consultation and to ensure we have a workplace free from gender barriers, harassment or stereotyping	Ongoing
iv. Develop new training for recruitment, selection, sifting and interviewing.	Develop training. Make guide available to all managers	CRD&W Learning & development		Increased awareness. On-line training instantly available to all managers.	12/10
v. Use community activity programme to improve gender specific customer understanding	Publicity on community activity examples	CRD&W	New Tax Matters programme developed for schools.  Coalition government's Big Society package and austerity measures will impact on this action	Better understanding of any gender related problems faced by customers	Ongoing
vi. Improve communications across gender and Transgender Employee Networks and in promoting development opportunities	Commission a 'community of interest' discussion forum, which will be run by the network co-ordinator.	CRD&W	Community of interest trialled successfully by LGB&T networks. Request in hand to replicate for gender network.	Discussion forum that offers policing, discussion forums, surveys etc.  All employees are more	2011

Task/Activity	Action Required	Lead Responsibility	Progress Update	Outcomes	Date
	New communication programme to raise awareness of development opportunities		Directory drawn up of opportunities available covering different grades and areas of expertise.	aware of opportunities on offer and have more confidence to apply.	
vii Act on the findings of Working Fathers research project that are applicable to HMRC	Incorporating findings into relevant communications	CRD&W		Working fathers have a better understanding of the opportunities on offer to them and feel more engaged	Ongoing
viii Promote childcare and adultcare support package	Communication programme	CRD&W / CaM/ PF		Employees feel supported and aware of the help offered by HMRC to combine caring responsibilities with their career	Ongoing
ix Carry out a full equal pay review for 2010 and monitor performance annually throughout the organisation	Conduct review, publish findings, take action as appropriate	PF		Compliance with EqPA No equal pay issues in organisations	Ongoing
<b>5. Customers</b>					
i. Undertake a research project to provide a better understanding of the impact HMRC's products and services have on gender, establish gender customer profiles, identify gender	Investigate any gender barriers and issues identified	ICD		Improved customer service Raised levels of staff awareness.	03/11

Task/Activity	Action Required	Lead Responsibility	Progress Update	Outcomes	Date
difficulties in accessing products, and recognise key gender audiences					
ii. Provide consistent information via the internet for customers.	Initial scoping and fact finding to bring together existing and new feedback / information	ICD / CCD		Customers will be able to access our services in a way that meets their requirements.	03/11
iii Provide a choice of channels of communication for customers	Consider provision of specialised channel	ICD		There are no barriers to men or women engaging with us	03/12
iv Review complaints guidance and escalation route	Carry out review of procedures relating to gender complaints. Produce findings and recommendations	ICD / Business Units		Standard procedures and escalation route ensure a consistent approach. All customers find it easier to use complaints procedures	03/11
v. Identify needs of transgender customers to ensure their privacy is not compromised by our outward facing policies	Review policies in respect transgender feedback from Transgender Network and a:gender	CRD&W		Dignity and privacy of trans customers protected	03/11

**Abbreviations:**

CRD&W Corporate Responsibility Diversity & Well-being  
CaM Communications and Marketing  
CCD Customer Contact Directorate

ICD  
PF  
KAI

Individual Customer Directorate  
People Function  
Knowledge, Analysis and Information



# Annex B Taxes, duties and benefits administered by HMRC

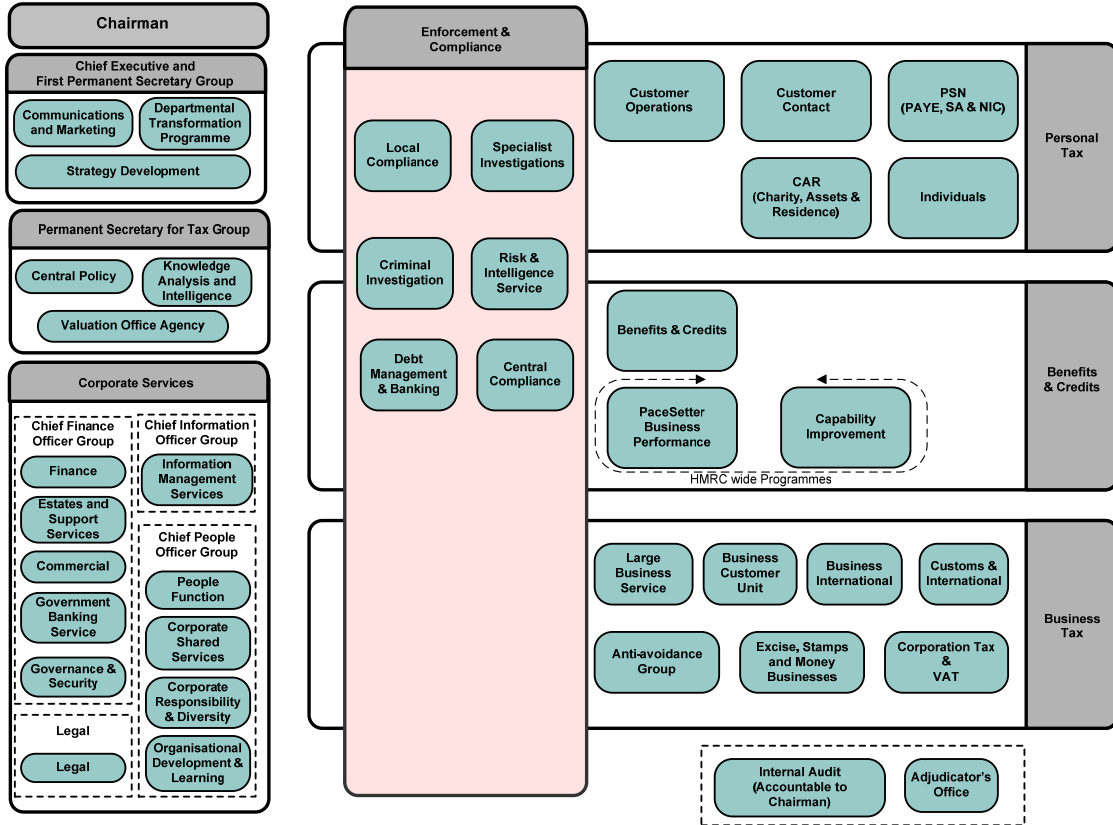
We are responsible for administering:

- Income tax;
- Corporation tax;
- Value Added Tax;
- National Insurance Contributions;
- Excise duties on alcohol, tobacco, fuels and gambling duties;
- Customs duties;
- Environmental taxes-Climate Change Levy, Aggregates Levy and Landfill Tax
- Insurance Premium Tax;
- Capital Gains Tax;
- Petroleum Revenue Tax;
- Inheritance Tax;
- Stamp Duty on property transactions and shares;
- Tax Credits-Child Tax Credit and Working Tax Credit
- Child Benefit
- Child Trust Fund endowments
- Health in Pregnancy Grant.

Other responsibilities include:

- enforcing the National Minimum Wage;
- administering the collection of student loans on behalf of the Department for Business Innovation and Skills (BIS);
- supervising money service businesses, trust or company service providers, accountancy service providers and dealers in high value goods to ensure that they comply with the Money Laundering Regulations.

# Annex C HMRC Structure Chart





# Annex D HMRC's Diversity & Inclusion Strategy for the Workplace

## HMRC'S DIVERSITY & INCLUSION STRATEGY FOR THE WORKPLACE

### HIGH LEVEL SUMMARY

#### What is our Strategy?

This Strategy, and the Diversity Delivery Plan which supports it, sets out HMRC's diversity and equality aims for the next three years. It shows how we are responding to the Civil Service Diversity Strategy *Promoting Equality, Valuing Diversity*, which was published in July 2008, and the requirements of the new *Single Equality Bill 2010 – Framework for a Fairer Future*, which for the first time includes age, sexual orientation and religion and belief.

It reflects our drive to mainstream equality and inclusion into every aspect of our work. It also recognises that our people have different skills; different ways of thinking and working; different knowledge and experience and the need for us to harness these differences for the benefit of our business and our customers.

#### Who is it for?

This strategy is for all HMRC staff.

For it to succeed, we need to make diversity and inclusion an entirely natural part of everything we do. This will require commitment and action from everyone in HMRC. We have therefore set out what leaders, managers and staff across HMRC need to do to turn our aims into reality.

#### Why do we need it?

An effective approach to diversity and inclusion is key to helping us achieve our business targets and financial goals. It helps us to capture and retain the very best talent and it allows us the opportunity to maximise the performance of **all** our people and to respond more effectively to the needs of our diverse customer base.

- **We need to recruit, retain and motivate a talented workforce.** By 2011, only 18 per cent of the UK workforce will be white, male, not disabled, under 35 and heterosexual. We need to be ready to respond to these changes so that we can draw on talent from all sections of the population.
- **We need to present the right image and deliver services to a diverse and increasingly discerning general population.** Our customer base is large and diverse. One of the key departmental commitments in HMRC's Vision '*Our Purpose, Our Vision, Our Way*', is that we will understand our customer and their needs. Increased diversity brings understanding, empathy and innovation and puts us in closer touch with the individuals and communities we serve.
- **We must comply with an expanding range of anti-discrimination laws**

**and avoid the escalating costs of litigation.** Between April 2006 and October 2007 there were 62 diversity-related tribunal cases within HMRC. In over half, the Department either lost the case or agreed a settlement. Fighting a discrimination case at an employment tribunal is a no-win situation. Even those cases that don't go to tribunal can do immense damage to an organisation's reputation, as the recent race discrimination case against Scotland Yard has shown.

### What are we aiming to achieve?

We want HMRC to be an organisation that:

- encourages talented people from all parts of the community to join us and achieve their potential;
- values and supports a diverse workforce through our commitment to fair and inclusive recruitment and employment practices;
- has an inclusive culture where every one within the organisation treats their colleagues and the public with dignity and respect;
- has HR policies, processes and practices which are open and transparent;
- has zero tolerance of bullying and harassment and deals with any instances effectively, fairly and swiftly;
- understands the needs of its different customers and provides a service of the highest standard.

We will know we have succeeded in our aims when:

- staff from all backgrounds feel respected, supported and valued and there is a significant reduction in the number of diversity-related grievances and employment tribunal appeals;
- staff surveys show continuous improvement in the levels of engagement and satisfaction amongst staff from under-represented and minority groups;
- all managers understand their responsibilities and include a diversity performance indicator in their performance development evaluation (PDE);
- recruitment of black and minority ethnic staff is at the same percentage as in the working age population, locally and nationally;
- staff from all backgrounds, and men and women, are promoted at equal rates;
- we achieve a diversity declaration rate for ethnicity and disability of at least 90% and declaration rates for sexual orientation and religion or belief of 80%;
- our customers feel that the Department understands and is responsive to their needs and are more comfortable in approaching us and using our services as a result;
- we receive positive feedback from the Equality & Human Rights Commission and the Northern Ireland Equality Commission on the progress we have made.

### What are the key themes?

The themes of our Strategy reflect the four strands of the Civil Service strategy.

- **Behaviour and cultural change** – changing behaviour to create an inclusive culture, where everyone within HMRC feels valued and treated with dignity and respect.
- **Leadership accountability** – strong leadership and clear accountability for delivering diversity. Leaders and managers at all levels must understand and act upon their diversity responsibilities.
- **Talent management** – to enable everyone to realise their potential, and accelerate the rate at which we bring in and bring on people from different backgrounds.

- **Representation** – a diverse workforce at all levels, with progress measured against the targets we have set for 2011 for the representation of women (35%), minority ethnic staff (5.1%) and disabled people (8.6%) in the SCS.

#### **Diversity Delivery Plan**

We have developed a **Diversity Delivery Plan**, which sets out for each of these themes the action, which is underway or planned, over the next three years to achieve our diversity goals.

#### **Monitoring progress**

The **Civil Service Diversity Delivery Board** (chaired by Bill Jeffrey) will carry out an initial assessment of departmental Diversity Delivery Plans and will monitor departmental performance against these.

The Corporate Responsibility & Diversity Team will oversee implementation of HMRC's Diversity Delivery Plan and report on progress half-yearly to the HMRC People Committee.