



Government
Legal Department

Government Legal Department Gender Pay Gap Report 2018





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Background

In 2017, the Government introduced world-leading legislation that made it statutory for organisations with 250 or more employees to report annually on their gender pay gap. Government departments are covered by the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 which came into force on 31 March 2017. These regulations underpin the Public Sector Equality Duty and require the relevant organisations to publish their gender pay gap data by 30 March annually. This includes the mean and median gender pay gaps; the mean and median gender bonus gaps; the proportion of men and women who received bonuses; and the proportions of male and female employees in each pay quartile.

The **gender pay gap** shows the difference in the average pay between all men and women in a workforce. If a workforce has a particularly high gender pay gap, this can indicate there may be a number of issues to deal with, and the individual calculations may help to identify what those issues are.

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. It is unlawful to pay people unequally because they are a man or a woman.

The Government Legal Department (GLD) supports the fair treatment and reward of all staff irrespective of gender.

This report sets out: the mean and median gender pay gap within GLD, the bonus gender pay gap and actions that GLD are taking to address these issues.

Definitions

The Regulations introduce two new concepts:

- “relevant employee” - this is an employee on the snapshot date, 31 March 2018. The number of relevant employees is used in some of the calculations;
- “full pay relevant employee” – this is an employee on the snapshot date, 31 March 2018 who receives their normal March salary. This is not the same as full time equivalent.

Employees who are either not being paid or are on reduced, statutory or nil pay during March 2018 are not “full pay relevant employees”. For example an employee on maternity leave whose occupational maternity pay runs out on 15 March and starts to receive statutory maternity pay will be a “relevant employee” but not a “full pay relevant employee”.



The Regulations also require information to be reported under the following definitions:

- The **mean average** is calculated by adding together all the values and dividing by the number of values. In this case a mean average is calculated for men, a mean average is calculated for women, and the two mean averages are compared.
- The **median average** is calculated by sorting the values into an order from lowest to highest, and then finding the value that is in the middle of that sorted list. In this case a median average is calculated for men, a median average is calculated for women, and the two median averages are compared.
- The **pay quartiles** are hourly pay for all staff that are sorted into order from the lowest amount to the highest amount. This ordered list is then split into four equal parts, known as quartiles. The lowest pay quartile contains the first quarter of the ordered list, i.e. the 25% of the list with the lowest hourly rates of pay. The upper quartile contains the 25% of staff whose hourly rates of pay are the highest. Quartiles are related to the median average, as the median average marks the point between the second and third quartile.

Organisational Context

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 Diversity & Inclusion Strategy outlines how we plan to achieve this. 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.

The Government Legal Department (GLD) has a strong commitment to equality for all regardless of gender, gender reassignment, race, age, religion or belief, sexual orientation, marriage and civil partnership, pregnancy and maternity or disability.

GLD has a strong profile of women at Senior Civil Service (SCS) level and in feeder grades to the SCS.

This report sets out where GLD fulfils the reporting requirements and provides analysis of the figures in more detail.



Organisational Structure

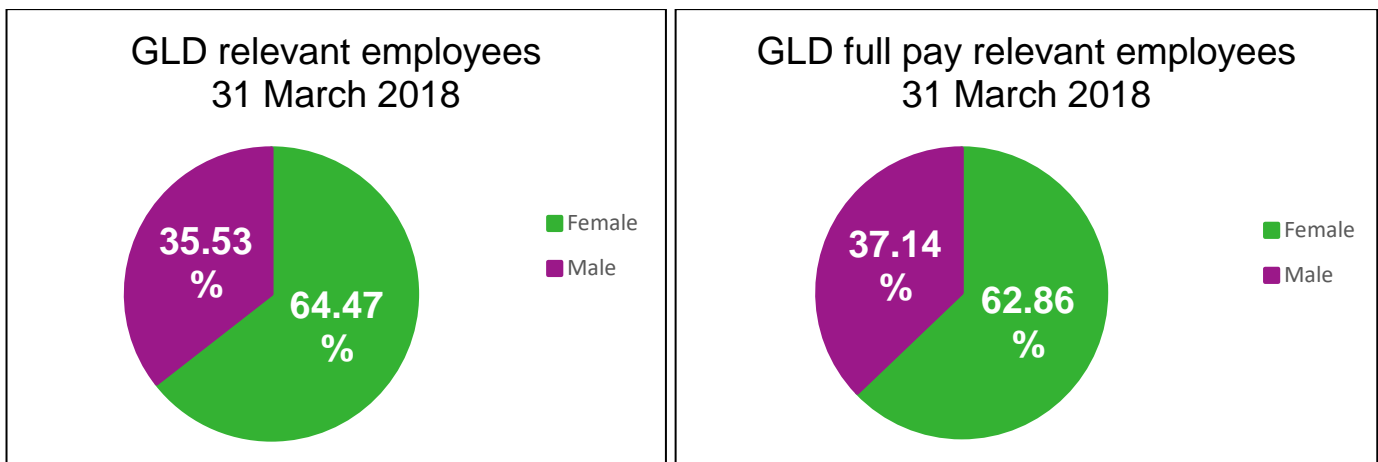
GLD uses Civil Service grades Administrative Officer (AO) to SCS with two additional grades, Legal Trainee (LT) and Legal Officer (LO). We also have Non-Executive Directors (NEDs).

The grades are split into two groups:

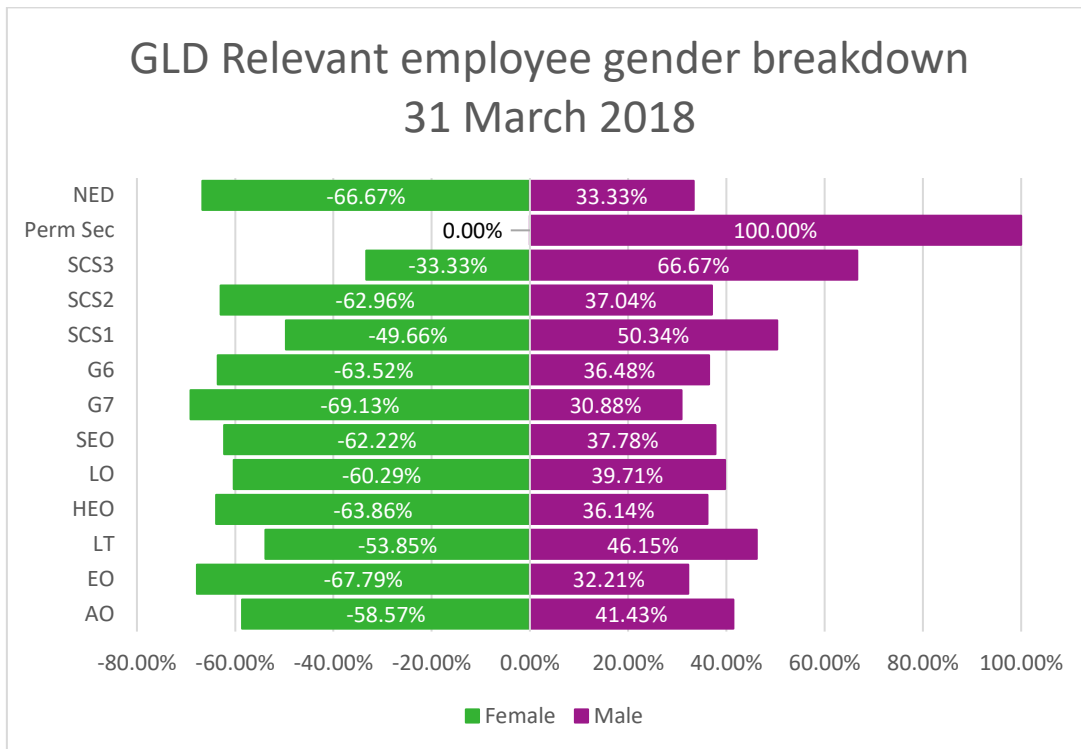
- SCS whose pay and grading structures are determined by the Cabinet Office. The grading structure is underpinned by the analytical Job Evaluation for Senior Posts (JESP) system;
- Delegated grades AO to Grade 6 where GLD has the ability, within the frameworks set by HM Treasury and Cabinet Office, to determine its pay and grading structures. GLD's grading structure is underpinned by an analytical Job Evaluation and Grading System (JEGS).

On 31 March 2018, GLD had 2224 relevant employees of which 64.47% were female. GLD had 2075 full pay relevant employees of which 62.86% were female. The difference is due to employees on nil or reduced pay during March 2018.

Since 31 March 2017 GLD's headcount has increased by 273 through transfer of civil servants from BEIS to GLD and recruitment. The percentages of female relevant employees and full pay relevant employees have both increased.



Breaking this down further reveals there is a higher proportion of relevant female employees in most grades. The exception is at senior level where there is a more even split. The percentage of women in the SCS has increased from 49.4% to 51.4%.

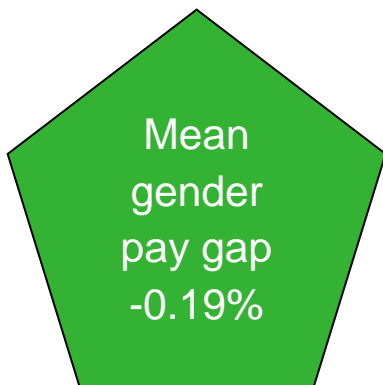


The following gender pay gap analysis is based on the methodology set out in the Equality Act (Specific Duties and Public Authorities) Regulations 2017.

Analysis

Ordinary pay

The mean gender pay gap is the difference between men's and women's average hourly pay. For GLD's full pay relevant employees the mean gender pay gap is -0.19% in favour of women. The median gender pay gap is 1.70% in favour of men.





When compared to the 2017 gender pay gap figures there has been a slight change in both mean and the median gender pay gap. The mean has moved to being in favour of women, although effectively there is no mean gender pay gap, whereas the median has slightly increased in favour of men.

Year	Mean	Median
2018	-0.19%	1.70%
2017	0.44%	0.70%

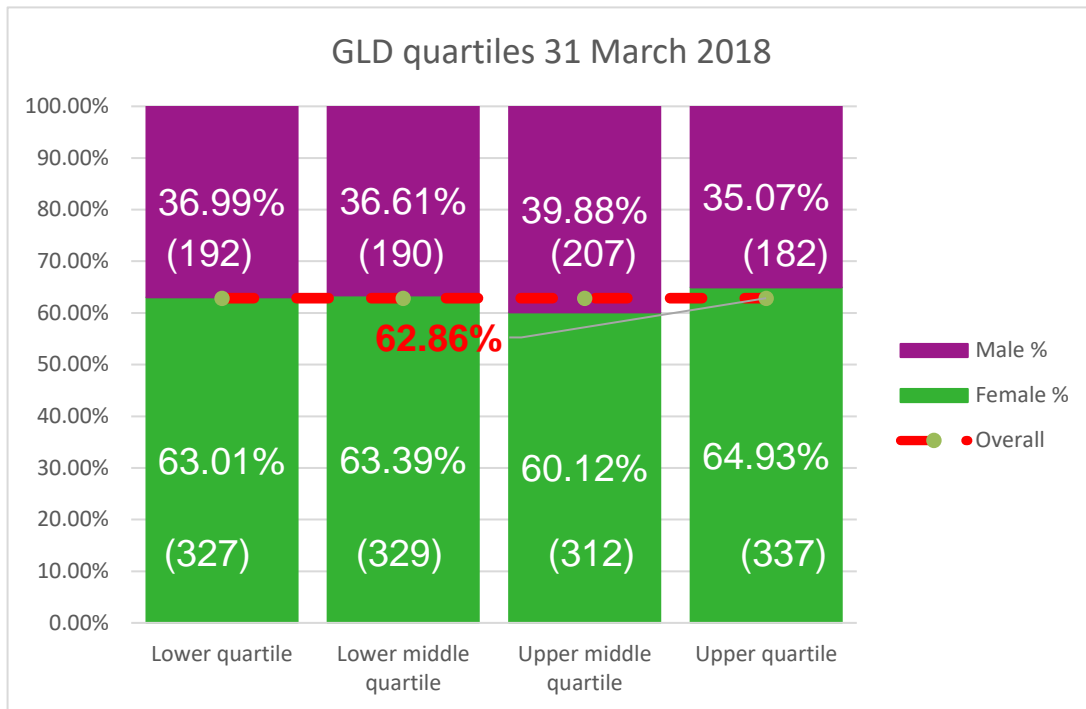
It is difficult to draw conclusions with only two year's data. Inevitably there will be fluctuations from year to year as employees join and leave GLD.

Hourly pay quartiles

The hourly pay quartiles show the proportion of male and female full pay relevant employees in each quartile, when they are arranged in order of hourly pay rate.

Quartile	Female %	Male %
Lower quartile	63.01%	36.99%
Lower middle quartile	63.39%	36.61%
Upper middle quartile	60.12%	39.88%
Upper quartile	64.93%	35.07%

As in 2017 the gender composition of all four quartiles is very similar to GLD's relevant employee gender composition. The approximate 63:37 ratio of women to men at all levels in the organisation is why GLD's mean and median gender pay gaps are relatively low.



Bonus pay

Delegated grades AO to Grade 6

GLD operates a special bonus scheme which recognises and rewards individuals or teams for exceptional achievements relating to specific tasks or activities, and/or for acting as an outstanding role model in the demonstration of GLD's Values. Individuals may receive cash or vouchers of between £10 and £500.

As part of the 2017 pay award employees who received an "A" performance rating received a one off Non-consolidated Performance Related Pay (NCPRP) award of £1050. All eligible employees received the £1050 payment in full; we do not pro-rate for part time employees.

The special bonus scheme and NCPRP are subject to a cost control of 0.79% of GLD's delegated grades pay bill.

Senior Civil Servants (SCS)

From 1 April 2017 GLD introduced a special bonus scheme for SCS grades. The standard award is £3000 and is limited to 10% of the SCS community. We do not pro-rate the bonus for part time employees.

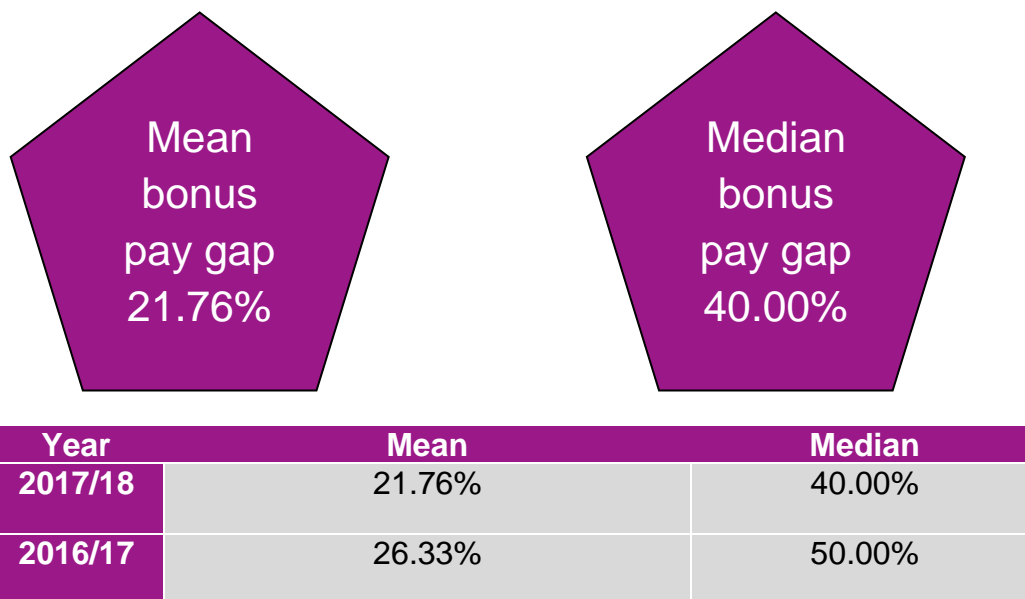
Cabinet Office guidance sets the policy for SCS Non-consolidated Performance Related Pay (NCPRP) awards. Payments should be restricted to the top 25% of performers. This continues to



be subject to a cost control of 3.3% of GLD's SCS pay bill. Again we do not pro-rate SCS NCPRP awards for part time employees.

Bonus gender pay gap

Analysis revealed that overall GLD has a mean bonus pay gap of 21.76% in favour of men, and a median bonus pay gap of 40.00%, also in favour of men.



As the 2017 headline figures gave us cause for concern, we set up a working group with representatives from our network groups and trade union partners. A more detailed analysis was undertaken to understand the reason for the significant bonus gender pay gap. The aim is to understand the reasons for the bonus pay gap and to identify what GLD is able to do to reduce it.

GLD has four different bonus schemes, two for delegated grades and two for SCS. The rules and funding for the SCS schemes follow Cabinet Office guidance and are different to those for the delegated schemes.



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This means in one scheme an employee could receive a bonus of £10 (Delegated Grades Special Bonus Scheme) and in another an employee could receive a bonus of £15,000 (SCS NCPRP).

Calculating the mean and median with such widely disparate figures can lead to a significant bonus gender pay gap.

Female Bonus	Male Bonus
£10,000.00	£10,000.00
£200.00	£200.00
£200.00	£200.00
£200.00	£200.00
£150.00	£150.00
Median £150.00	Median £150.00
£150.00	£150.00
£150.00	£150.00
£100.00	£100.00
£100.00	£100.00
£100.00	£100.00
Mean £970.83	Mean £1,787.50

These calculations illustrate the impact on the mean of one extra person, in this case a man, receiving a £10,000 bonus.

The median is impacted by the very different numbers of relevant employees receiving a bonus under each bonus scheme. Overall 1472 bonuses were awarded; the breakdown by scheme is:

Bonus Scheme	Male	Female	Total
Delegated Grades Special Bonus Scheme	377	657	1034
Delegated Grades NCPRP	148	234	382
SCS Special Bonus	6	12	18
SCS NCPRP	19	19	38
Total	550	922	1472

The median therefore falls within the delegated grades special bonus scheme which has the widest range of bonus, £10 to £500.

As part of the 2018 gender pay gap analysis we have also drilled down into the headline figures and analysed the gender pay gap for each bonus scheme as follows:

Delegated Grades Special Bonus Scheme

This is the in-year scheme for AO to Grade 6, where employees may receive vouchers or cash awards of between £10 and £500. The median award was £100 and the mean award was £114.10 for women and £129.18 for men.

Year	Mean	Median
2017/18	11.67%	0.0%
2016/17	15.88%	0.0%

The working group identified that GLD would benefit from clearer guidance for the special bonus scheme. The analysis has been considered at Board level and we are currently revising our guidance to include scenarios that draw attention to how particular circumstances may inadvertently influence nominations and to support directors to ensure consistent decision making.

Delegated Grades NCPRP

This is then end of year performance bonus. A flat rate of £1050 was paid to all Box A performers.

Year	Mean	Median
2017/18	0.0%	0.0%
		Flat rate £1,050



2016/17	0.0%	0.0%	Flat rate £1,100
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SCS Special Bonus

This bonus was introduced from 1 April 2018 and SCS receive a £3000 bonus. If an employee also receives an end of year performance bonus then the £3000 is deducted from that.

Year	Mean	Median	
2017/18	0.0%	0.0%	Flat rate £3,000
2016/17	No Scheme		

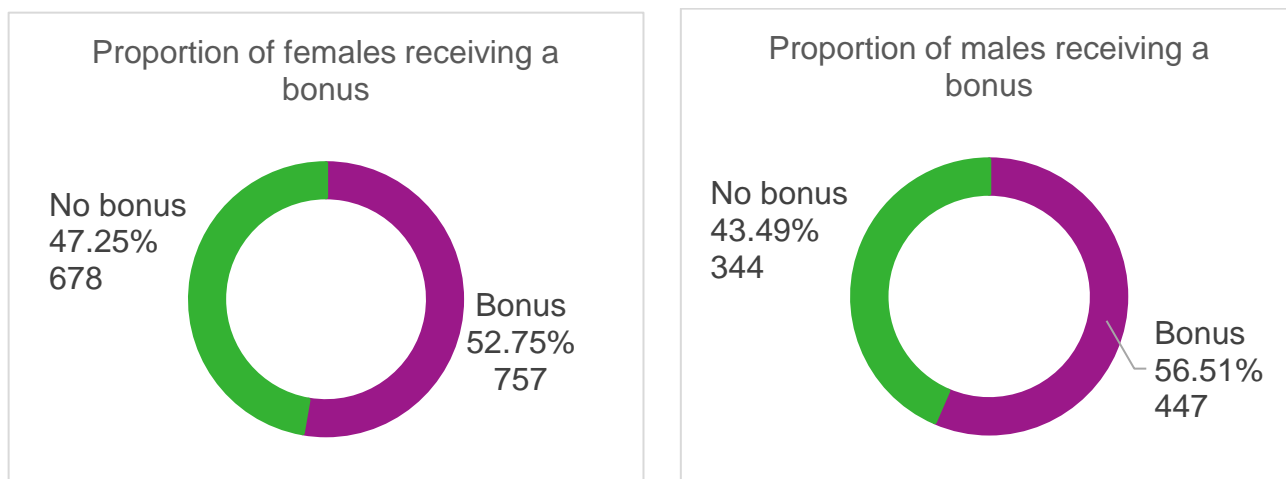
SCS NCPRP

This is the end of year bonus paid to SCS and the gender pay gap is in favour of women.

Year	Mean	Median	SCS1	SCS2	SCS3
2017/18	-3.74%	0.0%	£4000 & £11,000	£15,000	£15,000
2016/17	-0.11%	0.0%	£10,000	£11,500	£12,500

Proportion of males and females paid a bonus

GLD has 1435 female relevant employees of these 757 received a bonus, which is a proportion of 52.75%. GLD has 791 male relevant employees of these 447 received a bonus, which is a proportion of 56.51%.



This is a positive change from last year with more employees of both genders receiving at least one bonus.

Year	Women	Men
2017/18	52.75%	56.51%
2016/17	42.00%	46.00%



Actions

The Civil Service is committed to its vision of being recognised as the UK's most inclusive employer. We recruit and promote from the widest possible pool of qualified candidates, develop our staff of all backgrounds and at all grades, and aim to create a more inclusive culture with more visible diverse role models.

Whilst GLD has a minimal gender pay gap in relation to ordinary pay, we recognise the importance of existing initiatives and seek to continuously improve the diversity of our workforce. Our current initiatives include:

Bonuses:

Following the 2017 Gender Pay Gap analysis we established a working group with representatives from our network groups and trade union partners. As outlined in the report HR has undertaken further analysis to understand the reason for the bonus Gender Pay Gap. There are limitations on what can be done to change the existing schemes. Guidance is currently being drafted to support a consistent and fair application of the delegated grade special bonus scheme. Longer term we will look to understand how we can modify this scheme to ensure it is fair and equitable.

Reward: GLD's reward strategy includes equality as a key priority. We monitor the impact of the annual pay review to ensure where possible gender pay differences are addressed.

Flexible working: GLD recognises the importance of flexible working in enabling employees to balance family commitments with work. In particular, flexible working can help to reduce the gender pay gap in GLD by enabling more women to move into senior roles. Our policy is to look favourably on flexible working arrangement requests at all levels of the organisation provided that the needs and objectives of both the organisation and the employee can be met. We offer a wide range of options including reduced hours, compressed hours, job share, flexi time, working from home and annualised hours.

Recruitment practices: GLD seeks to recruit a diverse workforce. We use non-discriminatory job descriptions, analytical job evaluation and name blind recruitment practices to eliminate potential bias in the recruitment process. All interview panel members undertake mandatory unconscious bias training. In Autumn 2018, GLD will be an early adopter of new assessment and selection methods as the Civil Service moves to a more flexible and inclusive selection approach to attract a more diverse candidate group. This new approach marks the evolution of competency based assessment towards a more holistic approach where behaviours are supplemented with other elements. In addition, GLD is identifying role models from a range of backgrounds, including women, black and minority ethnic, and disabled staff in senior roles, through videos and pen profiles to inspire potential applicants and demonstrate our commitment to promoting talent regardless of protected characteristic.



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Career Paths: GLD offers a number of talent programmes supporting people into roles that provide access to the right opportunities, exposure, stretch and development to reach their potential. These include: Future Leaders Scheme, Positive Action Pathway, Civil Service Fast Stream and Apprenticeships. Also, for SCS we have the Senior Leaders Scheme, Leading to Inspire and High Potential Development Scheme. The aim is to help tackle the under-representation of certain groups in senior management positions.

Diversity networks: We have active employee networks including Gender Equality, Flexible Working, Carers, Wellbeing and Disability, LGBT, Race and Social Mobility. The networks provide a forum to discuss, and provide mutual support, for those with a common interest. They provide a voice for and support to all employees within GLD.

With these initiatives in place, there is still more to do. We will continue to raise awareness, highlight barriers and influence actions that can help further reduce these gaps across the department.

Declaration

The data reported by Government Legal Department 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.