

2019 Cabinet Office Gender Pay Gap Report

As at 31 March 2019

November 2019

This information is also available on the Government's gender pay gap reporting service: www.gender-pay-gap.service.gov.uk

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Foreword

As Cabinet Office's Gender Champion I am pleased to present our gender pay gap figures for the third time since the statutory reporting requirements were introduced in 2017.

Transparency, reporting and monitoring are critical to tackling any inequality revealed by these figures. We are looking closely at what is driving the pay gaps, considering opportunities to tackle the underlying issues and using the figure as a benchmark to drive improvement.

The Cabinet Office gender pay gaps (illustrated below) have changed since 2017:



We have seen a decrease in our median gender pay gap over the last 3 years from 12.3% to 8.8%. This is mainly attributable to a change of gender representation across the grades. The arrival of the fast stream programme in Cabinet Office in 2018 resulted in an increase in the proportion of male staff across the more junior grades. We have also seen a decrease in the number of female staff at B1 (EO) level and an increase of female staff in 'other' roles, which cover the fast stream and a number of professional roles.

Our mean gender pay gap increased in 2018 partly as a result of the Government Commercial Organisation (GCO) joining the Cabinet Office. GCO employs a number of highly paid male commercial specialists. I am pleased to say that we are already seeing a decrease in the gap this year and we are looking at how we can continue that downward trend through collaborative working with our colleagues in professional groups, the interventions set out in our action plan and through our five year People Strategy.

Since 2017, we have delivered a number of positive changes since 2017, including:

- Using structured interviews for recruitment and promotions this ensures fairness and that everyone is treated in a consistent way;
- Mandatory recruitment training for hiring managers to ensure structured interviews are conducted correctly;

- An increase in the number of roles outside of London which provides opportunities to progress without having to consider extensive travel and impacts on caring responsibilities;
- A continued focus on shortening pay ranges to enable progression through the pay ranges;
- Great awareness of our family friendly policies to promote an inclusive culture for both female and male staff;
- Improvement of our line management training offer, with a focus on being an inclusive manager.

There is still much more to be done and I look forward to seeing the results of these efforts bearing fruit in our figures in next year. Meanwhile we will continue to monitor how we are performing against our people strategy and gender pay action plan that is summarised from page 14.

Elizabeth Gardiner Cabinet Office Gender Champion

Introduction

In 2017, the Government introduced legislation that made it statutory for all 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 that 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 annually, including 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 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.

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.

Profile of the Cabinet Office

Strategic Intent

The Cabinet Office sits at the centre of government. The purpose of the Cabinet Office is:

- To maintain the integrity of the Union, coordinate the security of the realm and sustain a flourishing democracy;
- to support the design and implementation of HM Government's policies and the Prime Minister's priorities; and
- to ensure the delivery of the finest public services by attracting and developing the best public servants and improving the efficiency of government.

To support this and to support the Civil Service's ambition to become the UK's most diverse employer we have developed a five-year people strategy. Our vision for the strategy is:

- To be a great place to work, where our people, located across the UK, are empowered to become the best public servants, and to deliver the finest public services;
- to be an employer of choice, not only in the Civil Service, but in the broader marketplace. Our culture will be one focussed on *leadership* that embodies *diversity*, *inclusivity* and collaboration, whilst recognising the unique *talents* that each individual brings; and
- to nurture our *professional capability* and understand the current and future needs of the organisation.

A number of the activities that we are working on to deliver this vision are reflected in our Gender Pay Action Plan which is explained in more detail later in this report.

Structure

Cabinet Office Civil Service grades range from administrative to Senior Civil Servants. Grades vary according to the level of responsibility that individuals have and each grade has a set pay range.

The gender pay gap figures also include the Government Property Agency (GPA) and Crown Commercial Services (CCS). There were 6,284 staff in Cabinet Office, 108 staff were GPA and 625 staff in CCS as at 31 March 2019 giving a combined total of 7,017 staff.

The Cabinet Office gender split was 47% male staff and 53% female staff on 31 March 2019. This table shows the breakdown of male and female staff represented in each grade within the Cabinet Office (excluding GPA and CCS):

Grade (increasing seniority)	Number of female (% of female staff in grade across whole workforce)	Number of males (% of male staff in grade across the whole workforce)	% Female
AA/AO	184 (4%)	136 (2%)	57%
EO	332 (5%)	214 (3%)	61%
HEO/SEO	508 (8%)	476 (8%)	51%
Grade 6/7	866 (14%)	861 (14%)	50%
SCS (centrally managed only)	174 (3%)	189 (3%)	48%
Other grades (professional/fast stream)	1,162 (19%)	1,082 (17%)	52%
Total (excluding those with unknown grade)	3326	2958	53%

The figures show that there continues to be a higher representation of female staff in the middle to junior grades and slightly less representation at the more senior levels. However, there is a higher representation of female staff in the fast stream and professional roles since 2017.

Approximately 12% of the Cabinet Office workforce is working outside of London across the UK. We will continue to monitor this figure to measure the effectiveness of our location strategy.

Government Special Advisers

To assist transparency, the Cabinet Office is also publishing figures for Government special advisers. In view of the small numbers involved, it would not be appropriate for individual departments to publish this information. There were 101 special advisers across all government departments as at 31 March 2019.

The figures for special advisers in all government departments is set out below:

	2017	2018	2019
Mean	-2.8%	5.6%	6.96%
Median	0.7%	5.7%	7.14%

Due to the statistically small sample size, figures will continue to fluctuate from year to year.

The Gender Pay Gap

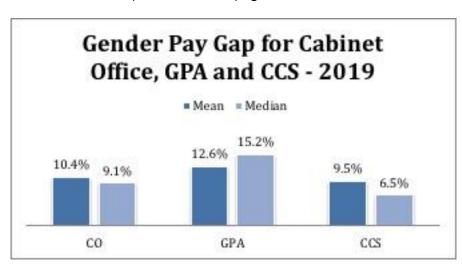
Below shows the gender pay gaps since 2017 for Cabinet Office (including GPA and CCS), the Cabinet Office (excluding GPA and CCS) and GPA and CCS as individual organisations:



As explained in the foreword there has been a decrease to the median gender pay gap from 12.3% to 8.8% over the last 3 years. This is mainly attributable to a change of gender representation across the grades. There are a higher proportion of male staff below Band A (Grade 7) since the fast stream programme joined Cabinet Office in 2018. There has also been a decrease in the number of female staff at B1 (EO) level and an increase of females in 'other' roles that include the fast stream and a number of professional roles.

The mean gender pay gap increased in 2018 partly as a result of the Government Commercial Organisation (GCO) joining the Cabinet Office. This is because there is a number of highly paid male commercial specialists compared to female staff within GCO.

This year the mean has decreased to 10.3% as a result of other efforts such as targeting position in range through the pay ranges. We are still above the 2017 figure of 10.0%. This reflects that there is still a higher number of male staff paid more than female staff within Cabinet Office. This is reflected in the quartile data on page 12.



This is the first year that the GPA is being reported as an agency and we will monitor and report the trends for Cabinet Office, GPA and CCS in future reports. The high level figures show that GPA has more male staff being paid a higher salary than in CCS. GPA has a high proportion of property professions and we are working closely to ensure their actions to reduce the gender pay gap are captured in the overall gender pay gap action plan.

Drivers of the Gender Pay Gap in 2019

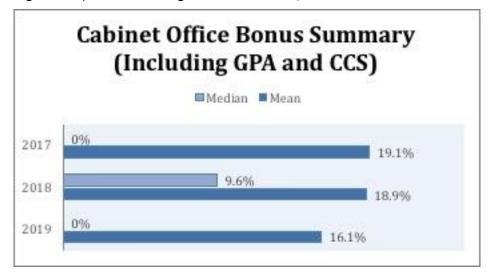
We have undertaken more detailed analysis of the gender pay gaps and have identified that for Cabinet Office (excluding GPA and CCS) they are:

- Seniority amongst the Cabinet Office SCS, there are more male than female staff near or at the pay band maximum
- Certain professions there is, in particular, a higher proportion of male staff working at Band A/A+ and SCS levels within professions such as digital and commercial. This has become the second biggest driver this year and has overtaken age.
- Age male staff in the Cabinet Office are, on average, older than female staff and, as a result, there is a higher proportion of them positioned at the upper end of the pay bands
- London based at each grade, a higher proportion of males than female staff are based in London on the London based pay ranges. This is a new driver in 2019.
- Part time there are a higher proportion of female staff working part time in Cabinet Office compared to male staff. This is a new driver in 2019.

Details of how we plan to mitigate these drivers are reflected in the Cabinet Office Gender Pay Action Plan, which is described from page 13.

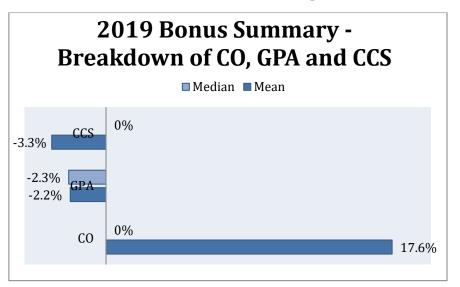
Bonus Pay

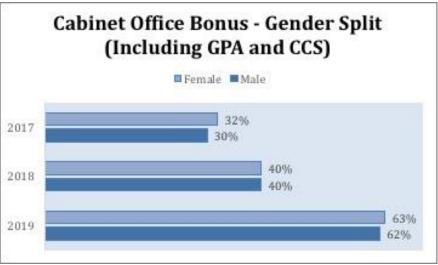
Cabinet Office (including GPA and CCS) offers in-year reward and recognition schemes, as well as end of year performance awards. The following charts show the bonus pay summaries since 2017 for Cabinet Office, including GPA and CCS and a breakdown of the bonus pay gaps and the gender split for each organisation for 2019:

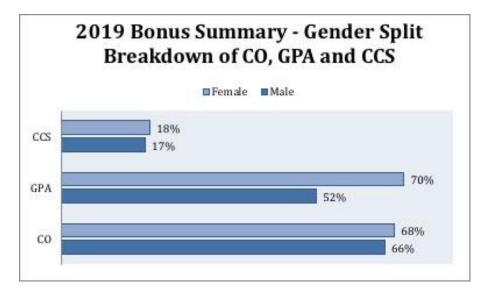


There has been a decrease to the median since 2018. This is as a result of fewer male staff receiving higher value bonuses. However, the mean figures are as a result of there being more male staff at a senior level.

The number of people receiving bonuses in the Cabinet Office has increased since 2017 in response to a change of approach to the end of year performance award arrangements. In 2017 they were paid to people with an exceeded box marking only. This was increased to a wider population in 2018 and 2019 for staff below the SCS. GPA paid slightly higher bonuses to a higher number of female staff in 2019. In CCS everyone received the same value bonus. Overall, more female staff received a bonus.

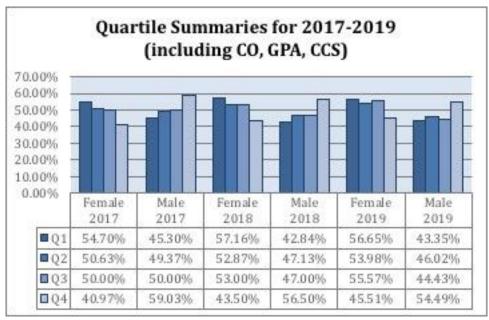


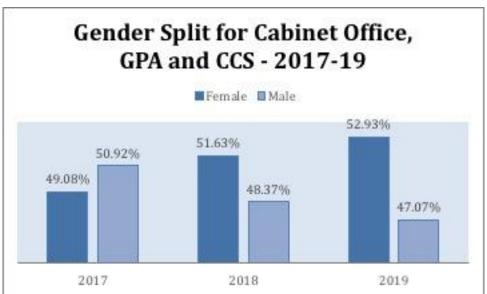




Hourly Pay Quartiles

The hourly pay quartiles show the proportion of male and female staff that are in each pay quartile, when we arrange staff in order of hourly pay rate:





Since 2017, the lower and lower middle quartiles continue to have a higher proportion of female staff than male staff for Cabinet Office (excluding GPA and CCS). This is primarily because there are still more female staff in grades below the Senior Civil Service. There are a few professions (legal and project specialists) that have a higher proportion of male staff working at Grade 6/7 and Senior Civil Service levels and sit at the higher end of their pay ranges (commercial and digital). Also, grading systems are not directly comparable across Cabinet Office and CCS. The figures are showing that GPA has more female staff in quarter 1 of the pay ranges but significantly more male staff in quarters 2-4. CCS has a similar representation to the Cabinet Office. All organisations have been targeting their pay awards on progressing people through the pay ranges.

What Cabinet Office has been doing to tackle the Gender Pay Gap

We continue to be very committed to reducing the Gender Pay Gap and achieving a better gender balance across all grades. We have a number of key principles that underpin our approach to achieving this:

- Reduce the gender pay gap year on year.
- Ensure employment and pay practices are fair and free from bias.
- Ensure interventions and solutions are collectively developed and agreed, sustainable and enduring.
- Progress on addressing the gender pay gap will be tracked, monitored and reported to our Gender Champion and People Committee.

Since 2017, we have taken action to improve the gender pay gap. Many of these actions reflect the effective actions that the Government Equalities Organisation advises implementing:

- Pay and Reward
 - We continue to focus on shortening pay ranges to enable progression through the pay ranges.
- Career Lifecycle
 - We have continued to raise awareness of increasing numbers of family friendly policies to promote inclusivity for both female and male staff.
 - o We have made it compulsory that all roles are advertised part time.
 - o We include flexible working in our line management capability training.
- Progression
 - We are piloting a senior sponsorship scheme for under-represented groups including women.
- Recruitment
 - Using structured interviews for recruitment and promotions this ensures fairness and that everyone is treated the fairly.
 - Mandatory recruitment training for hiring managers to ensure structured interviews are conducted correctly
 - We have seen an increase in the number of roles outside of London which means people can see opportunities to progress without having to consider extensive travel and impacts on caring responsibilities
- We have an engaged group of staff networks including a gender network that is chaired by a gender champion at a very senior level.

To embed this work further we have developed a comprehensive action plan and have formed a working group consisting of a wide range of stakeholders across the Cabinet Office to review and track progress against the action plan. The plan sets out what we are doing to tackle the gender pay gap (in particular how we address the key drivers set out on page 10, why and how we will measure the effectiveness of each action. This excludes GPA and CCS who have their own action plans with actions that are reflective of what is set out in the Cabinet Office one.

We know that addressing the gender pay gap and gender balance can take time. This is because we are investing in long-term programmes such as talent and leadership schemes and tackling social and cultural challenges such as attracting women into traditionally male oriented professions such as digital, alongside immediate action.

Below is snapshot of the priority actions we are committed to implementing over the next 12 months: 2019/20 is detailed below.

Driver	What	Purpose
Representation in the workforce – seniority, profession, age and location	 Extending our candidate reach by utilising social media, alternative recruitment/career platforms and networking events Advertising roles as national, and needing approval to be in London Developing our brand – promoting our values of Respect, Trust and Collaboration Develop approach to improve attractiveness of roles to women in professions Promote career opportunities for women in traditionally male dominated Civil Service professions such as digital (share blogs/experiences) 	 Promote equality of opportunity at all stages of the recruitment and selection process To reach the widest pool of talent and attract more women to apply for senior Civil Service and professional roles Cabinet Office should be seen as an employer of choice To improve gender representation at all levels
Seniority, profession, London based, age and part time working	 Review and refresh policies – ensure they are transparent, inclusive and accessible Promote flexible working/family friendly policies as part of the employee offer and wider benefits work Individuals returning to work – improve keeping in touch, supporting returners – getting the basics right project Introducing a wider footprint outside of London through the Location Strategy 	 Flexible working offers the best for both the individual and the organisation. Focusing on returns and ensuring women are supported in their transition back to the workplace will increase confidence that women can have a career and children Offering roles outside London improves accessibility to roles

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Seniority, profession, age and location	 Pay and Reward Continue the direction of travel of our strategic pay approach by shortening pay ranges and progressing people through the pay ranges Influence SCS pay strategies to encourage shorter pay bands, ensuring robust governance and monitoring starting salaries with the gender pay gap in mind 	 Continue to reduce the gap between people on the minima and maxima of the pay ranges and align pay levels To minimise the impact of differences in other factors, such as length of service and on pay differentials
Seniority, profession, age and location	 Talent and Career Progression Aligning the Cabinet Office grades to the Civil Service structure will enable career progression and coherence with the wider Civil Service Apprenticeships and dedicated early talent managers within the digital profession Exploring talent scheme and career pipelines for females Develop a graduate scheme for property 	To provide career paths for women within lower grades making them more likely to stay and develop their career with Cabinet Office and wider Civil Service
All drivers	 Diversity and Inclusion Collaborate with gender champions and networks on gender action plan - meeting to review progress Review D&I Strategy – by spring 2020 Introduce a new Executive Committee culture and engagement champion who will work with the D&I and Health Wellbeing Champion to support making CO a great place to work. 	Liaising with staff networks is an important part of the Cabinet Office's Diversity and Inclusion strategy. It gives staff an opportunity to inform policy, take specific targeted action and influences cultural change. Networks positively impact departments by challenging approaches and providing views to makes important changes to policies.

Declaration

We confirm that Cabinet Office's gender pay gap calculations are accurate and meet the requirements of the Regulations.

John Manzoní

John Manzoni, Chief Executive of the Civil Service and Permanent Secretary (Cabinet Office) 2019

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