

Gender Pay Gap Report

1 April 2018 – 31 March 2019

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Introduction

1. The CMA is a non-ministerial government department in the United Kingdom responsible for promoting competition for the benefit of consumers, both within and outside the UK. Our aim is to make markets work well for consumers, businesses and the economy, strengthening business competition and preventing and reducing anti-competitive activities.
2. The CMA is fully committed to minimising the Gender Pay Gap and our approach to pay seeks to reward staff fairly, regardless of gender. We are committed to developing a culture that is respectful, diverse and inclusive.

Background

3. 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 pay gaps; the proportion of men and women who received bonuses; and the proportions of male and female employees in each pay quartile.
4. 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. Where we have a positive percentage, this means that the pay of male staff is higher than the pay of female staff. The higher the percentage, the greater the gender pay gap.
5. 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 of their gender.
6. The CMA supports the fair treatment and reward of all staff irrespective of gender. This report sets out the CMA's statutory requirements under gender pay legislation, extended analysis of our gender pay gaps by grade and the CMA's action plan to tackle any arising issues.

Gender make-up of the CMA

7. At 31 March 2019, the CMA had a total of 731 staff¹ in the UK, with 700 based in London, 29 in Edinburgh, 1 in Cardiff and 1 in Belfast. This is the number of staff deemed to be 'full pay relevant': those employees who are not being paid or are on reduced, statutory or no pay during March 2019 are excluded as they are not 'full pay relevant' employees.
8. The gender make-up of CMA staff is 50.8% male and 49.2% female – this is a slight reduction in female representation since 2017 – 2018 when 49.5% of staff were female.
9. Looking at our Senior Civil Servants (SCS), the proportion of male to female staff has also changed since 2017 - 2018. The proportion of male SCS decreased from 62.8% to 59% in 2018 - 2019 and the proportion of female SCS staff increased from 37.8% to 41%.

Civil Service grade	Total staff	Percentage male staff	Percentage female staff
Non-SCS staff	631	49.4%	50.6%
SCS staff	100	59%	41%
All staff	731	50.8%	49.2%

10. We know that an over representation of women at lower grades as well as an under representation of women at higher grades is the primary cause of the gender pay gap at a Civil Service level². Looking at our gender make up more closely, this is the same for the CMA.

Civil Service grade	Total staff	Percentage male staff	Percentage female staff
AO	18	55.6%	44.4%
EO	65	49.2%	50.8%
HEO	142	45.1%	54.9%
SEO	50	42.0%	58.0%
Grade 7	190	53.2%	46.8%
Grade 6	166	50.6%	49.4%
SCS PB1	78	57.0%	43.0%

¹ Although there were 783 staff employed by the CMA at this date, not all were 'full pay relevant employees' and so are not included in the gender pay gap report.

² Source: Annual Civil Service Employment Statistics, August 2018 (delegated grades)

SCS PB2 and PB3 <i>(grouped due to low numbers at PB3)</i>	22	66.7%	33.3%
All staff	731	50.8%	49.2%

11. Improving the gender balance in senior grades will reduce both the mean and median gender pay gap. This is evidenced by the increased representation of females in our SCS cadre and the reduction of these measurements compared to the 2017 – 2018 report.
12. The gender pay gap calculations are based on the number of individual employees, and not on full-time equivalents. This means that each part-time employee counts as one employee.

Calculating the Gender Pay Gap

Ordinary Pay

13. Ordinary pay, expressed as hourly pay, is used to calculate the mean and median gender pay gaps. Ordinary pay includes basic pay, any allowances and any bonus payments made in March 2019. Where bonus payments relate to more than one month these are proportioned to reflect the amount payable for March.
14. The calculation for the mean and median ordinary pay only includes ‘full pay relevant’ employees as described in paragraph 7 above.
15. In 2019, the mean gender pay gap, which is the difference between the average hourly pay between men and women, is 7.3%. This is a decrease from last year, when the mean gender pay gap was 8.2%.
16. In 2019, the median gender pay gap, which is the difference between the midpoints of the average hourly pay of men and women, is 4.9%. This is a decrease from last year, when the median gender pay gap was 6.1%.

Measure	Gap at March 2019
Mean pay gap	7.3%
Median pay gap	4.9%

17. The most significant contributor to the CMA’s change in gender pay gap has been a change in gender representation at senior levels. In total, our SCS cohort numbers increased from 82 on 30 March 2018 to 100 on 30 March

2019. Female representation within the SCS cadre increased from 31 to 41 which equates to a representation of 41% in 2018 – 2019 compared with 37.8% in 2017 – 2018. As a small department, our gender pay can be affected by small changes to our gender representation.

18. Looking at the mean and median gender pay gap analysis by grade, the differences are relatively small between male and female staff. In general, there has been a decrease in the gender pay gap across the CMA since the publication of the CMA's last report.

Civil Service grade	Total staff	Mean pay gap *	Median pay gap*
AO	18	0.3%	0.0%
EO	65	2.2%	1.4%
HEO	142	-2.7%	-1.6%
SEO	50	2.9%	4.9%
Grade 7	190	-0.4%	-0.1%
Grade 6	166	2.0%	2.5%
SCS PB1	78	3.1%	1.3%
SCS PB2 and PB3	22	-0.6%	-2.6%
All staff	731	7.3%	4.9%

* Where we have a negative percentage, this means that the pay of female staff is higher than the pay of male staff.

19. The CMA's gender pay gap compares favourably with the average pay gap for the rest of the Civil Service. The Office of National Statistics reported in the Annual Civil Service Statistics in August 2018 that the average mean for the Civil Service was 9.8% and the average median was 12.2%.

Bonus Pay

20. Bonus pay, which is also calculated as mean and median, is based on bonus payments paid to staff throughout the 2018 - 2019 financial year and up to 31 March 2019.
21. As this covers a full year period, this calculation includes employees who are not 'full pay relevant' employees and can also include employees who left the CMA before 31 March 2019.
22. At the CMA, bonus pay includes performance related pay for all staff. There is a performance related pay scheme for our non-SCS staff which is negotiated annually with our trade unions and in 2018 - 2019 rewarded 25% of our non-

SCS staff with a performance bonus. There is a separate performance related pay scheme for our SCS staff which is determined centrally by government.

23. Our non-SCS staff also have their own in-year recognition scheme which allows cash awards worth between £25 and £750. The awards could be paid to staff at any time throughout the 2018 - 2019 financial year.
24. In the 2018 – 2019 financial year, 50.4% of men and 49.7% of women received a bonus payment. This is a difference of 0.7%, which represents a smaller difference than in 2017 – 2018 when 84.8% of men and 88.5% of women received a bonus payment, a difference of -3.7% The change in the number of both men and women receiving bonus payments is due to the CMA paying an organisational achievement award to all CMA non-SCS staff in the 2017 – 2018 year.
25. The mean bonus gender pay gap is 15.3% and the median bonus gender pay gap is –2.5%. In 2018, the mean bonus gender pay gap was 17.3% and the median bonus gender pay gap was 0%.

Measure	Gap
Mean bonus gap	15.3%
Median bonus gap	-2.5%

26. The reduction in the mean bonus gap is due to the increasing balance of gender representation at senior levels which contributes to the bonus gap figure.
27. The way that we calculate bonuses for staff who are not SCS has also contributed to reducing the mean bonus gap. We've previously calculated these bonuses as a fixed percentage of salary, which means that staff on higher salaries get higher bonus payments than those staff who are lower down their pay scale, even though they may be the same grade. This practice was removed during 2018 – 2019 and bonuses were paid as a set value for the grade.
28. Our mean bonus gender pay gap has reduced to 15.3%, from 17.3% last year. Nonetheless, the gap is still high. We know that the bonus gap is affected by the following factors:
 - (a) The value of SCS bonuses. The value of the bonuses for SCS staff are significantly higher compared with non-SCS staff as their “performance pay pots” are different. SCS staff shared 3.3% of the SCS paybill in bonuses during 2018 – 2019, whereas non-SCS staff received only 1.5%

of the non-SCS paybill to spend on bonus payments and in-year awards during the same period; and

(b) The number of men in the upper quartile. We have a higher male population in our more senior grades, particularly at SCS level, with the upper pay quartile comprising 79 women and 103 men. As 59% of our SCS is male, this has meant that our mean for male staff in the upper pay quartile is high.

29. Looking at the mean bonus gap analysis by grade, the differences are in favour of men receiving higher mean awards, apart from at AO, HEO and SCS PB2 and PB3 grades. In relation to the median bonus gap, the difference is in favour of men apart from EO and HEO grades, where there is no gap, and Grade 6 where there is a small gap in favour of women.

Civil Service grade	Mean bonus gap *	Median bonus gap*
AO	-26.8%	92.5%
EO	31.6%	0.0%
HEO	-18.0%	0.0%
SEO	1.8%	15.0%
Grade 7	17.7%	20.5%
Grade 6	24.5%	-2.5%
SCS PB1	10.2%	3.6%
SCS PB2 and PB3	-67.6%	10.0%
All staff	15.3%	-2.50%

* Where we have a negative percentage, this means that the bonus pay of female staff is higher than the bonus pay of male staff.

Pay by Quartiles

30. The hourly pay quartiles are calculated by listing all employees in order of hourly pay and splitting them into four equal parts. The chart below shows the proportion of men and women that are in each pay quartile.

Quartile	Female %	Male %
Lower quartile	51.9%	48.1%
Lower middle quartile	51.4%	48.6%
Upper middle quartile	50.3%	49.7%
Upper quartile	43.4%	56.6%

31. The lower and lower middle pay quartiles at the CMA include a slightly higher proportion of female staff, as women make up a higher proportion of our junior executive grades. The upper middle quartile has an equal proportion of male and female staff. The upper quartile, which mainly comprises Grade 6 competition specialists and SCS staff, has a higher proportion of male staff, although with an increase of 4.2 percentage points in female representation from 2017 - 2018.

Closing the Gap – Actions for the CMA

32. The Government Equalities Office have issued guidance on reducing the gender pay gap and improving gender equality³. They have produced a list of actions which are deemed effective in closing the gender pay gap, as well as actions that are promising or which have had mixed results.
33. We have assessed our own actions against this list to determine what activities we should continue and which actions we should focus on to improve our gender equality and close our gender pay gap. This assessment is in the table below.

Effective actions

Recommended action	What the CMA does	What the CMA will do in the future
Use skill-based assessment tasks in recruitment	Rather than relying only on interviews, we ask candidates to perform tasks they would be expected to perform in the role they are applying for. Most of the CMA's recruitment campaigns incorporate an element of testing.	The introduction of Success Profiles to the CMA on 7 January 2019 should increase the use of skills-based assessments. We will monitor the effects of this. We will investigate how we can interrogate our selection processes, and identify any changes that are needed, to ensure our selection methodologies and processes are as free from bias as possible and don't disadvantage diverse candidates, including women.

³ Source: <https://gender-pay-gap.service.gov.uk/actions-to-close-the-gap/effective-actions>

<p>Use structured interviews for recruitment and promotions</p>	<p>All recruitment campaigns have structured interview plans which are designed to ask questions about role competency. This ensures that unfair questioning bias does not creep in and influence decisions. All candidates are asked the same questions. All interview plans and notes are kept to evidence a fair process has been followed.</p>	<p>We will continue to use structured interview plans, asking candidates the same questions, and keep a record of interview notes and evidence centrally in HR recruitment.</p>
<p>Introduce transparency to promotion, pay and reward processes</p>	<p>Our pay policies and rules are published on our intranet. We have mitigated against the risk of gender pay inequality at non-SCS level by reducing the length of the pay scales and ensuring meaningful progression through the pay scales. This helps reduce any salary differences between staff, irrespective of their gender, who are working at the same grade.</p> <p>We introduced flat rate bonus payments for non-SCS staff in 2018 – 2019. This means that high performing staff at each grade will get the same bonus payment irrespective of their position on the pay scale.</p> <p>All CMA campaigns show the minimum and maximum salary that can be offered on appointment. There are rules for pay on promotion or level transfer within the Civil Service which we abide by. We use internal salary benchmarking data of current staff, which includes pay by gender, when considering pay offers for new entrants to the Civil Service. This ensures that fair pay is considered where pay offers are not made at the minimum advertised salary.</p>	<p>We will aim to continue, subject to negotiation with the CMA recognised trade unions to use flat rate bonus payments for SCS and non-SCS staff in 2019 – 2020.</p> <p>We will continue to apply our pay on appointment rules and monitor the effects of pay offers that are not made at the minimum advertised salary.</p>

<p>Appoint diversity managers and/or diversity task forces</p>	<p>The CMA has a number of staff networks such as wellbeing, multi-faith, race and, LGBT+ which are sponsored by senior CMA staff and are overseen by an Equality, Diversity and Inclusion steering group. The Equality, Diversity and Inclusion group also ensures that our people policies and the way they are applied by managers, fully promote equality and diversity. In addition we have a CMA Respect commitment. To ensure delivery of all our Equality, Diversity and Inclusion strategies, the CMA has a Board Wellbeing and Diversity champion and a Board Respect Champion.</p>	<p>We will continue to promote equality and diversity across the CMA through a variety of channels, including our networks and our Corporate Action Plan Respect work strand.</p>
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Promising actions or actions with mixed results

Recommended action	What the CMA does	What the CMA can do in the future
<p>Improve workplace flexibility for men and women</p>	<p>We have published a ‘How we work flexibly at the CMA’ document that sets out our commitment to enabling flexible working and our approach to accommodating flexible working requests where business needs can still be met. Our office space and technology has been designed to support more agile ways of working.</p> <p>As well as our flexible working policy we offer a range of other policies that support staff to balance their work, home and family life. These include a flexitime scheme, maternity, adoption, paternity, shared parental leave and career breaks. Our senior leaders role model and champion working flexibly. We advertise and offer all jobs as having flexible working options, such as part-time work or compressed hours.</p>	<p>We will review periodically our flexible working policy to ensure it is in line with best practice and meets the needs of our staff as well as the CMA.</p> <p>We will continue to promote workplace flexibility to our staff and in our attraction materials for candidates.</p>
<p>Encourage the uptake of Shared Parental Leave</p>	<p>We offer Shared Parental Leave, including enhanced Shared Parental Pay at the same level as enhanced maternity pay, to all eligible staff.</p>	<p>We will continue to promote the opportunities that our shared parental leave policy gives to our staff and monitor take-up.</p>
<p>Offer mentoring and sponsorship</p>	<p>We offer “Crossing Thresholds” which is a 12-month career mentoring programme for women to develop their career in a structured and supportive environment. The programme is aimed at non-SCS staff and is delivered through facilitated modules, mentoring sessions, and peer support groups. We partner with other regulators on a “cross-regulator” mentoring scheme.</p>	<p>We will develop greater awareness of our mentoring and ensure these are targeted to support career development. We will monitor take-up of these schemes.</p>

Offer networking programmes	We have a recently created Women's Network which promotes and supports the visibility of women and their achievements at the CMA and elsewhere. It aims to challenge stereotypes and bias and provides a forum for sharing ideas, insights and support.	We will continue to fully support the Women's Network.
Set internal targets	The CMA has set no specific internal targets for gender equality.	We will undertake research on how setting equality targets might work at the CMA. This will include finding examples of best practice and interventions that have removed barriers at senior levels, enabling the equality targets to be achieved.
Unconscious bias training	We ask all staff to undertake mandatory unconscious bias training which is available through Civil Service Learning, and this forms part of the induction for all new starters. Staff are also directed to this CSL unconscious bias training via the CMA recruitment training module.	We will consider how unconscious bias is integrated into other learning, such as incorporating it in to interviews skills training, so that it is a common thread.
Diversity training	We ask all staff to undertake "Equality and Diversity essentials" training and a "Respect in the Workplace" course which is available through Civil Service Learning, and this forms part of the induction for all new starters.	We will continue to ensure that all new staff receive diversity training.
Leadership development training for women	We offer a number of central cross-government talent and positive action schemes, all aimed at encouraging female staff to achieve their full potential in the Civil Service. These include the Future Leaders Scheme (FLS) and Senior Leaders Scheme (SLS), which are accelerated development schemes for high potential Grade 7 and Grade 6 staff and also SCS Pay Band 1 staff.	We will provide targeted support to enable individuals to better consider and apply for these opportunities and support individuals on programmes with coaching.

<p>Performance self-assessments</p>	<p>We include self-assessment in our performance management processes but know that there is some evidence that women underestimate their abilities and performance or are more conservative in their assessment of their abilities and performance than men are. Therefore, our performance management processes also include assessments by the line manager and a countersigning manager and are also moderated by a management group.</p>	<p>We will continue self-assessment and will continue to monitor the ratios of men and women that receive each of our performance ratings to ensure there is no bias.</p>
<p>Diverse selection panels</p>	<p>All CMA recruitment selection panels contain a mix of men and women.</p>	<p>Diverse gender interview panels will continue as best practice. From 1 April 2019 we also introduced further diversity standards for all SCS recruitment where panels must include a colleague with a disability or from a BAME background.</p>
<p>Recruit returners (people who have taken an extended break from paid work for caring or other reasons)</p>	<p>We have a career break policy which allows people to leave the CMA for an extended period of time without resigning from their position. We also ensure that men and women who return from maternity leave, shared parental leave and / or career breaks are not detrimentally affected, and that their pay on return takes into account any pay settlements that have been implemented during their absence.</p>	<p>We are developing a Legal Returnship programme that will launch in September 2019. To promote this programme we plan to use targeted advertising with the support of a specialist agency focussed on advertising flexible jobs.</p>

Declaration

34. The CMA confirms that all calculations have been carried out in line with the guidance and regulations, with all efforts made to ensure a robust and methodical approach to the production of our findings.