



Cabinet Office

2020 Cabinet Office Gender Pay Gap Report

As at 31 March 2020

December 2020

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

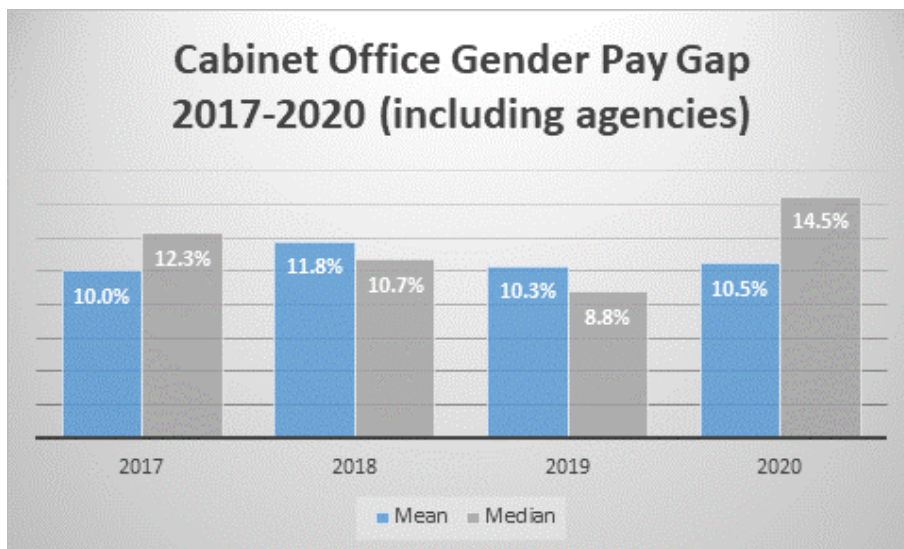
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Foreword

As Cabinet Office's Gender Champion I am pleased to be in a position to publish our gender pay gap figures for 2020.

The table below shows how the Cabinet Office gender pay gaps have changed since 2017:



It was very disappointing to see that the figures had increased for 2020 given the work we have been doing to reduce the pay gap so we undertook further analysis to understand this. We found that, whilst the overall published figures show an increase, our analysis has borne out that the figures for core Cabinet Office have, in fact, decreased since 2017. The difference is explained by the inclusion or exclusion of those who are not on Cabinet Office pay arrangements.

If we exclude those agencies and individuals on Government Commercial pay terms (who are outside of Cabinet Office pay arrangements), then the mean is 8.5% and the median is 11.5% for 2020.

The Government Commercial Organisation (GCO) was set up to centralise the commercial function. Commercial specialists have moved onto commercial terms from other departments over 2018 and 2019 and this has impacted the overall gender pay gap for the department. Whilst GCO are not the only contributing factor, our analysis of their remuneration shows that the pay ranges for commercial specialists are longer, 53% are male and males are more highly paid. More detail on the figures are set out in the main report.

We will continue to work with our colleagues, particularly in the professional groups, to reduce the gender pay gap through the interventions set out in our action plan and through our People Strategy.

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The positive take from the analysis we have conducted is that we have seen a decrease in the gap for people on Cabinet Office terms. We have delivered a number of positive changes through our action plan this year, including:

- **Pay and Reward**: We have delivered year 2 of the pay flex case which focused on shortening the pay ranges (reduced to an average of 10% length for AO-G6 from 17-31% previously) and progress people through the ranges. This approach was reflected in the SCS pay award.
 - We have introduced a more robust approvals process for higher starting salaries and allowances.
 - We introduced a digital pay approach which will set consistent levels of remuneration for all digital professionals.
 - We have reviewed the SCS in year bonus scheme and introduced quarterly data reports bonus payments.
- **Policy**: We have refreshed a number of inclusive key policies including flexible working and home working.
- **Talent**: A CO talent strategy was approved by the Executive Committee in August 2020 to adopt an inclusive approach which maximises the potential of staff.
- **General**: We have published blogs aimed at inspiring women in professional roles, and supporting national campaigns such as International Women's Day and World Menopause Day.

There is still much more to be done and I hope to see an overall reduction in the figures next year. 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 7,700 staff in Cabinet Office, 153 staff in GPA and 648 in CCS as at 31 March 2020 giving a combined total of 8,501 staff.

The Cabinet Office gender split was 48% male staff and 52% female staff on 31 March 2020. This table shows the breakdown of male and female staff represented in each grade within the Cabinet Office (excluding GPA and CCS):

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Grade (increasing seniority)	Number of females (% of female staff in grade across whole workforce)	Number of males (% of male staff in grade across the whole workforce)	% Female
AA/AO	177 (2%)	136 (2%)	56.5%
EO	400 (5%)	268 (3%)	59.9%
HEO/SEO	812 (11%)	618 (8%)	56.8%
Grade 6/7	1,111 (14%)	1,219 (16%)	47.7%
SCS (centrally managed only)	199 (3%)	217 (3%)	47.8%
Other grades (professional/fast stream)	1,319 (17%)	1,224 (16%)	51.9%
Total (excluding those with unknown grade)	4,018	3,682	52.2%

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 continues to be a higher representation of female staff in the fast stream and professional roles.

Approximately 17% (which has increased from 12% last year) 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 all Government special advisers. In view of the small numbers involved, it would not be appropriate for individual departments to publish this information.

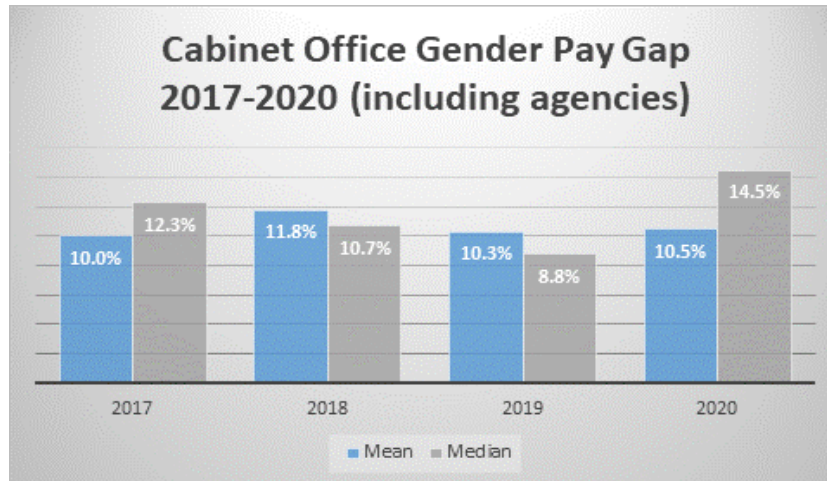
As at 31 March 2020 there were 102 special advisers across all government departments. Special adviser roles fall into four pay bands, with Band 4 being the most senior.

Pay Band	Number of Special Advisers	Percentage of females	Mean Pay Gap	Median Pay Gap
Pay Band 1	9	33%	-4.14	-8.16
Pay Band 2	50	44%	3.75	3.17
Pay Band 3	32	32%	4.39	1.87
Pay Band 4	11	25%	-4.07	-13.64

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

The Gender Pay Gap

This chart shows the gender pay gaps since 2017 for Cabinet Office (including GPA and CCS).



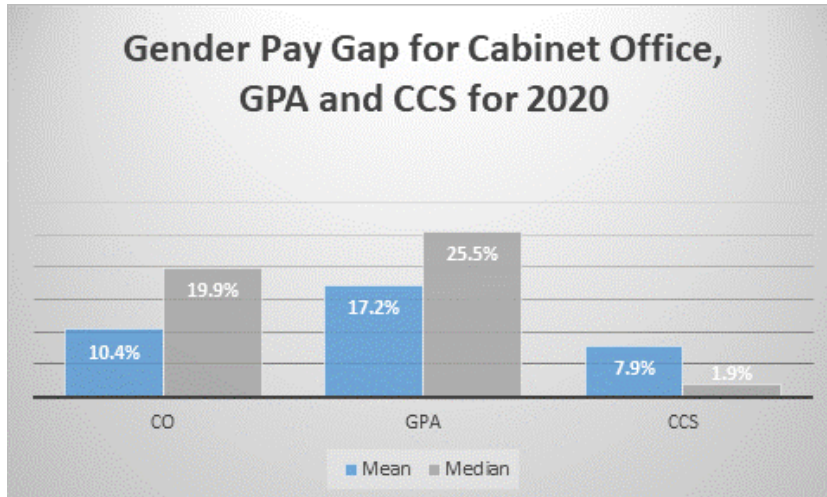
As explained in the foreword there has been an increase to both the mean and median figures since 2019. There are a number of contributing factors:

- These figures have been significantly impacted by the addition of people on GCO commercial terms. The Government Commercial Organisation (GCO) was set up to centralise the commercial function. Commercial specialists have moved onto commercial terms from other departments throughout 2018 and 2019 and this has impacted the overall gender pay gap for the department. The pay range for commercial specialists are longer (this is particularly reflected in the median figure), 53% are male and males are more highly paid.
- The shape of the Cabinet Office has changed with the inclusion of new business units. We have increased by circa 1000 people over the last 12 months.
- SCS numbers have increased by 76 and there are more highly paid males at SCS 3 and Perm Sec levels.
- We are paying more in allowances now than last year. Allowances contribute to the Hourly Pay Rate figure that make up the mean and median figures.

Additional detailed analysis has shown us that whilst the overall published figures show an increase our analysis, the figures for Cabinet Office have in fact, decreased since 2017. By excluding the agencies and individuals on Government Commercial pay terms (who are outside of Cabinet Office pay arrangements) the mean is 8.5% and the median is 11.5% for 2020.

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This chart shows the gender pay gap figures for CO, GPA and CCS for 2020.



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 2020

Similarly to 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. This continues to be the highest driver.
- **London based** - at each grade, a higher proportion of males than females are based in London on the London based pay ranges. This has become a higher driver than age this year.
- **Part time** – there is a higher proportion of females working part time in the Cabinet Office compared to males. This has become a higher driver than age this year.
- **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. This has now become the lowest driver.

It should be noted that all departmental gender pay gap figures were analysed centrally by the same team for the first time this year. This has meant that the data analysed did not include profession related data this year. In previous years profession pay was identified as a driver (where there is a higher proportion of males in senior professional roles who are higher paid). We have been advised by the central analysis team that Profession pay is still likely to be a driver this year for Cabinet Office. We will seek to ensure this is included and analysed next year.

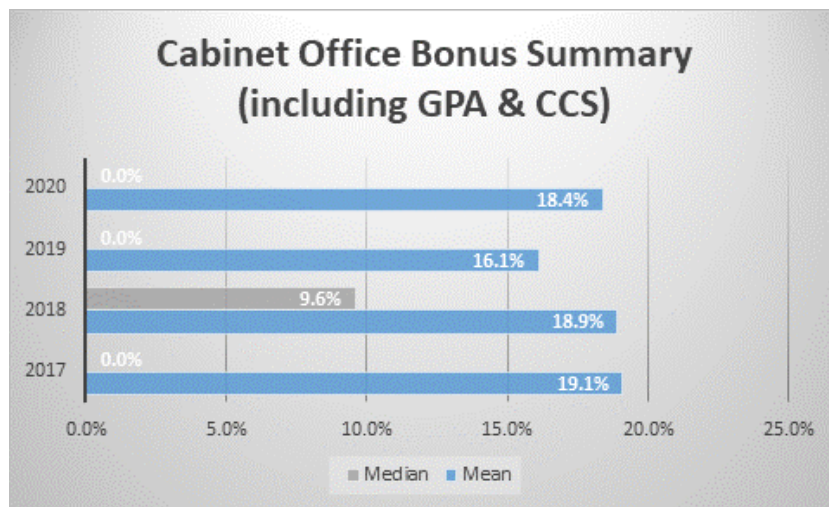
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We would support the assumption that profession pay is still a driver because the analysis has identified that the pay gap is influenced by people on Government commercial terms and the Government Property Agency figures reflect a higher proportion of more highly paid males in the property professional roles.

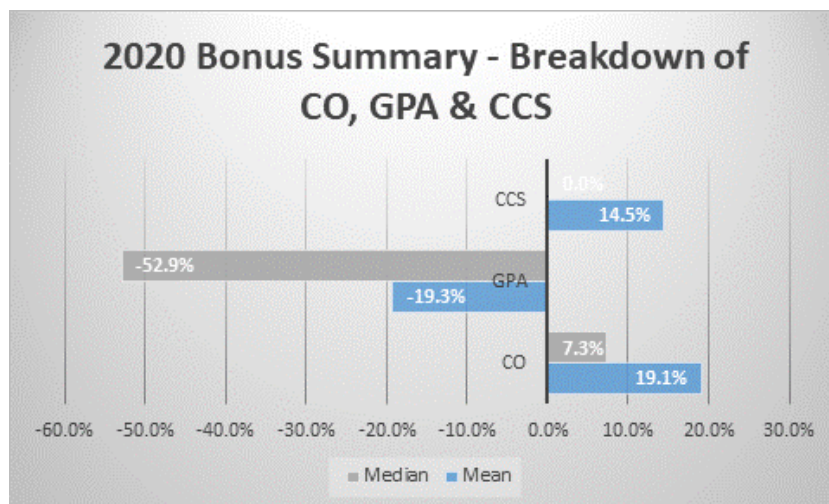
Details of how we plan to mitigate these drivers are reflected in the Cabinet Office Gender Pay Action Plan, which is described from page 14.

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 gap 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.

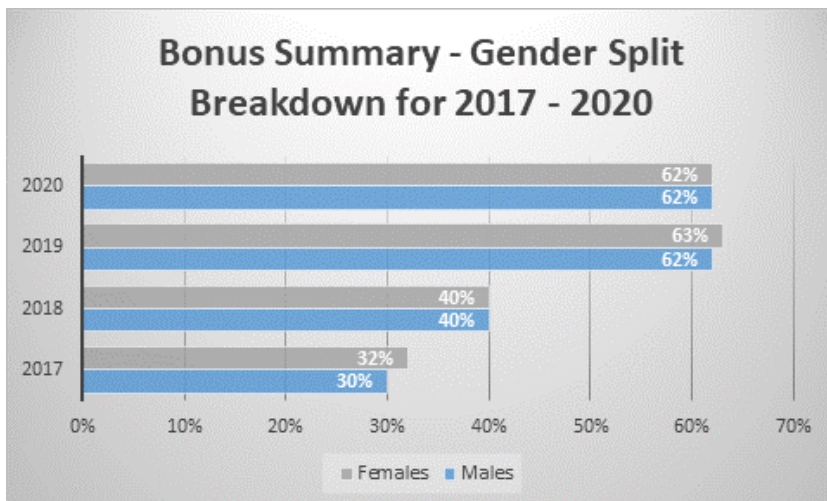


Bonuses were paid to 62% women and males in 2020 for Cabinet Office including GPA and CCS. The mean figures show that the values of the bonuses were lower than those paid to males by around £200 on average.

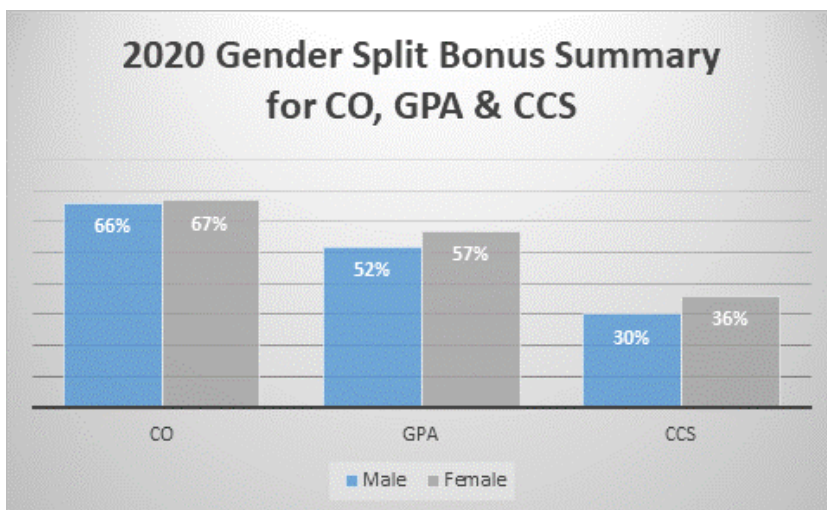


These figures show that on average the values of bonuses paid to males were higher in CO and CCS. In GPA, the figures reflect the reverse where the values of bonuses paid to females were higher.

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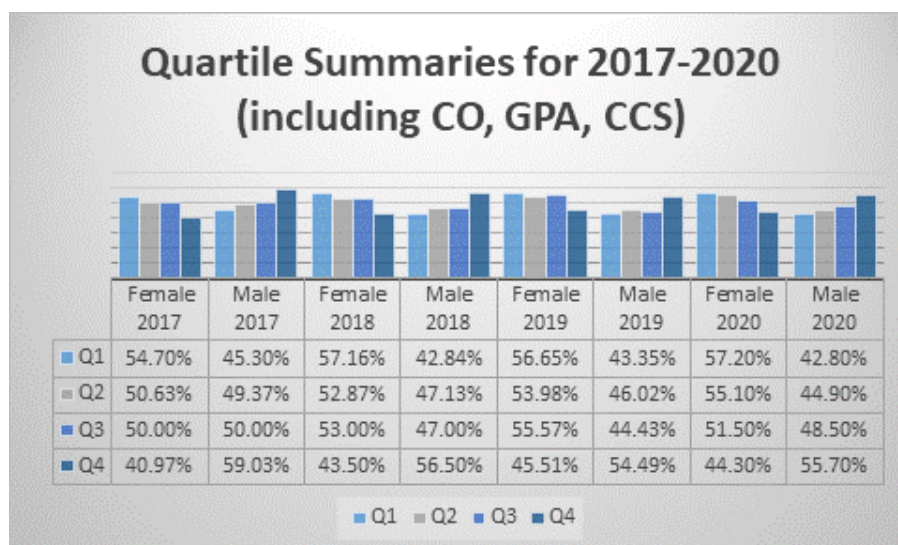
In 2018, the approach to paying performance awards for Cabinet Office changed from paying awards to those who received an exceeded marking to those who received exceeded, high performing and achieved markings (for staff below SCS). This reflects the increase in people receiving a bonus shown in the tables to the right. The gender split has continued to be even between females and males.



CCS have a different approach to paying bonuses and this is reflected in the numbers receiving a bonus for 2020. The 2020 gender split bonus summary for CO, GPA and CCS shows that a slightly higher number of females receive 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 because there continues to be more female staff in grades below the Senior Civil Service. As with previous reported years there is a higher proportion of male staff working at Grade 6/7 and Senior Civil Service levels and they tend to sit at the higher end of their pay ranges. The grading structures are not directly comparable across Cabinet Office and CCS. As with previous years, 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 although they now have an even gender split of 50% for the upper quartile. 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 continue to 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 (we have reduced the ranges for staff below the SCS by up to 20% in some instances).
- Career Lifecycle
 - We raise awareness of our family friendly policies to promote inclusivity for both female and male staff on a regular basis.
 - We have made it compulsory that all roles are advertised part time.
 - We include flexible working in our line management capability training.
- Talent
 - We have refreshed our talent strategy which takes an inclusive approach and maximises the potential of staff.
- 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 (5%) 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.

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We have an established comprehensive action plan and 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.

Addressing the gender pay gap takes time. We are investing in long-term programmes such as talent and leadership schemes. We are tackling social and cultural challenges by proactively attracting women into traditionally male oriented professions such as digital and property.

Below is a snapshot of the priority actions we committed to over the last 12 months, the progress we have made and what we are focusing on in the next 12 months:

Driver	What/Action	Purpose	Progress
2019/20 Representation in the workforce – seniority, profession, age and location	Attraction: <ul style="list-style-type: none"> Extend our candidate reach by utilising social media, alternative recruitment/career platforms and networking events Advertise roles as national, and needing approval to be in London Develop our brand – promoting our values of Respect, Trust and Collaboration Promote career opportunities for women in traditionally male dominated Civil Service professions such as digital, property (share blogs/experiences) 	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> Social media platforms introduced Approvals for advertising roles nationally/London in place. Employee offer launched – values embedded into employee offer. Female leaders have shared stories/published blogs of experiences as a senior leader/working in professions Gender split is 52% female/48% males 2020 - 40.4% of the Government Property Profession is female. An improvement from 38.7% last year
2020/21 Representation in the workforce – seniority, age and location	Attraction: <ul style="list-style-type: none"> Continue to implement actions set out in 2019/20 Professions – develop outreach programmes to promote careers for women – particularly at senior levels 	<ul style="list-style-type: none"> As above To increase national footprint and attract wide range of candidates 	

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Driver	What/Action	Purpose	Progress
<p>2019/20</p> <p>Seniority, profession, London based, age and part time working</p>	<p>Policies:</p> <ul style="list-style-type: none"> ● 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 	<ul style="list-style-type: none"> ● 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 	<ul style="list-style-type: none"> ● Flexible working policies refreshed and communicated. ● Drop in sessions have been held on Parental leave.
<p>2020/21</p> <p>Seniority, London based, age and part time working</p>	<p>Policies:</p> <ul style="list-style-type: none"> ● Line management training/support – to promote policies available. ● Explore data recording capability – driven by getting the basics right project, induction, training ● Promote flexible working/family friendly policies as part of the employee offer and wider benefits work. Work with networks, hold roadshows and promote through communications – Autumn 2020 - on-going 	<ul style="list-style-type: none"> ● Improve line Management capability to provide advice and support. ● To track data and take up policies. ● Improve awareness of policies available 	
<p>2019/20</p> <p>Seniority, profession, London based, age and part time working</p>	<p>Pay and Reward:</p> <ul style="list-style-type: none"> ● 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 	<ul style="list-style-type: none"> ● 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 	<ul style="list-style-type: none"> ● Delivered year 2 of pay flexibility case – reduced pay range lengths for staff below the SCS by up to 20%. Now all circa 10% in length between minima and maxima. ● Attendance of SCS capability based pay working group. ● HSS approvals process strengthened. ● Government Commercial Organisation: <ul style="list-style-type: none"> ○ matched Cabinet Office pay band minima for GCO employees on Civil Service Equivalent terms and maintained pay band maxima to shorten pay ranges ○ used the pay award remit to apply higher consolidated salary increases to pay quartiles with higher numbers of female employees

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Driver	What/Action	Purpose	Progress
<p>2020/21</p> <p>Representation in the workforce – seniority, age and location</p>	<p>Pay and Reward:</p> <ul style="list-style-type: none"> ● Develop future pay approach for staff below the SCS to target progression through pay ranges ● Embed digital pay approach for staff below SCS ● Introduce targeted approach to SCS pay award and exception cases- to address the impact that external recruitment has on pay across the SCS cadre particularly where women have progressed through the Civil Service and remained close to the pay band minima as a consequence. ● Plan for SCS reward and recognition changes (driven centrally) - consider how SCS capability based pay may impact the pay gap and what can be done to mitigate that. ● Meet with Business Units who have higher pay figures to understand drivers and develop targeted action plans. ● Work closely with commercial teams to develop a long term strategy to address the pay gap. ● Property profession is building a case for a cross government approach to pay and working with departments to gather and analyse salary data to ensure the pay gap is monitored during the development of any new approach. ● Government Commercial Organisation: <ul style="list-style-type: none"> ○ Develop a pay and reward strategy for the GCO ○ Continue to reduce pay ranges through the pay award process ○ Conduct external benchmarking in relation to commercial expert pay. In particular, this will inform salary negotiations at recruitment stage 	<ul style="list-style-type: none"> ● As above ● To move people through the pay ranges (typically females positioned lower in pay ranges). ● Implement transparent and consistent approach to digital pay ● Identify pay anomalies within SCS and take action to address it with the aim of reducing the gender pay gap 	

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Driver	What/Action	Purpose	Progress
<p>2019/20</p> <p>Seniority, profession, London based, age and part time working</p>	<p>Talent:</p> <ul style="list-style-type: none"> ● 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 	<ul style="list-style-type: none"> ● 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 	<ul style="list-style-type: none"> ● Phase 1 of grade alignment delivered in April 2020 ● Talent strategy updated and endorsed by the Executive Committee in August 2020. ● Property Profession Apprenticeship and Fast Stream Graduate schemes for property profession launched.
<p>2020/21</p> <p>Representation in the workforce – seniority, age and location</p>	<p>Talent:</p> <ul style="list-style-type: none"> ● Deliver remaining phase of aligning the Cabinet Office grades to the Civil Service structure. ● Introduce structured talent governance in place to provide additional focus on under-represented groups. ● Work with staff networks to identify appropriate opportunities and interventions related to talent management of under-represented groups. ● Create a cohesive talent and development pack to support all staff to develop their careers and reach their potential through promotion of learning and development opportunities, talent schemes, career conversations, coaching and mentoring, and job shadowing (the career offer) ● Advertise all TDA opportunities as an expression of interest to reach out a wider candidate pool. 	<ul style="list-style-type: none"> ● As above ● To ensure that we are developing an inclusive talent strategy 	

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Driver	What/Action	Purpose	Progress
<p>2019/20</p> <p>Seniority, profession, London based, age and part time working</p>	<p>Diversity and Inclusion:</p> <ul style="list-style-type: none"> ● Collaborate with gender champion 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. 	<ul style="list-style-type: none"> ● 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 	<ul style="list-style-type: none"> ● D&I Strategy review delayed to 2021 and refreshed actions delivered below: ● Appointed a flexible working champion ● Established gender pay gap working group for CO digital profession. ● Published blogs, inspiring women in professional roles. ● Commercial – introduced a women's network. ● Introduced gender identity guidance for employees / Line Managers ● Staff events to offer support - for example menopause coffee and chat.
<p>2020/21</p> <p>Representation in the workforce – seniority, age and location</p>	<p>Diversity & Inclusion:</p> <ul style="list-style-type: none"> ● Review D&I Strategy – spring 2021 ● Undertake specific work with gender champion and the network around the People Survey results and experiences of discrimination relating to gender. ● Mail out to network chairs, advertise Expressions of Interests, job adverts, opportunities and updates ● 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 (carried from previous year) ● Depending on COVID-19 - look to invite business areas with low female representation to engage with STEM women conferences 	<ul style="list-style-type: none"> ● As above 	

Declaration

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

Alex Chisholm

Alex Chisholm, Chief Operating Officer of the Civil Service and Permanent Secretary (Cabinet Office) 2020

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