

Gender Pay Gap Report



Report for the year 2020

Table of Contents

Foreword from the Permanent Secretary	02
Introduction	03
Gender Pay Gap Data 2020	04
Gender Bonus Gap Data 2020	05
Organisational Structure	06
Pay Gap Analysis	07
Action Plan	13
Declaration	14

Foreword from the Permanent Secretary

As Permanent Secretary and Champion of the DCMS Women's Network, I am pleased to share the DCMS 2019/20 Gender Pay Gap report. Signalling the fourth year of monitoring in the department, the report shows that we have made substantial progress in our aim to close the Gender Pay Gap. Our mean pay gap has lowered to 2.7% which is the lowest mean pay gap across 17 government departments. Our median pay gap has also lowered from 16.6% in 2019 to 10.6% bringing us closer to the Civil Service median gender pay gap which is 10.3% this year.



I'm delighted to see this positive trend, which in part has been driven by the hard work in increasing the representation of women into the Senior Civil Service. Last year, under half of SCS (47.4%) were women. As of August, this now stands at 54.2%, representing an increase of 15 women. Another factor that has led to the closing of the gap in DCMS has been the more proportionate distribution of bonuses between men and women at higher grades this year — previously, more of these bonuses were received by men. The closing of the Gender Pay Gap is a crucial part of ensuring that people of all genders are able to progress and succeed at DCMS.

However, our work is not done yet and we have set an ambitious target to reduce our gender pay gap to 1% (mean) and 5% (median) by 2021. We have identified a number of interventions to drive this trend, including supporting the career development of women focusing on those from underrepresented groups, and reviewing our performance management system to manage the bonus gap.

I am encouraged by the progress we have made on this agenda and will continue working to identify challenges and find new ways to address the gender pay gap not only within the department but also across our sectors.

Sarah Healey, Principal Accounting Officer and Permanent Secretary

Introduction

The Department for Digital, Culture, Media & Sport (DCMS) has prepared this report as part of the legal requirement for public authorities to publish their gender pay gap on an annual basis.

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 pay between men and women in the workforce. If a workforce has a particularly high gender pay gap, this can indicate that 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** is a statutory requirement for employers rendering it unlawful to pay men and women different salaries, who carry out the same jobs, similar jobs or work of equal value.

This report fulfils the Department's reporting requirements, analyses the figures in more detail and sets out what we are doing to close the gender pay gap in DCMS.

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 and beyond. Our 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 characteristics.

Gender Pay Gap Data 2020

2.7% **Mean**

10.6% **■** Median

Reduced from 5.6% in 2019

Reduced from 16.6% in 2019

DCMS has reduced the gender pay gap since 31 March 2019. By improving the gender balance across all grades we have seen a reduction in our gender pay gap.

Figure 1: 2020 Pay Quartiles



The following pay quartile figures (Figure 1) are calculated by listing our department's hourly wages in ascending order and then splitting the department into four equal parts and showing the gender balance at each quartile. Those with the lowest hourly wages can be found at Q1 and those with the highest hourly wages can be found at Q4.

These pay quartiles demonstrate that in comparison to our overall gender distribution, there is a disproportionate number of women in the lowest quartile (58.6%).

Figure 2: DCMS Gender Pay Gap Trend

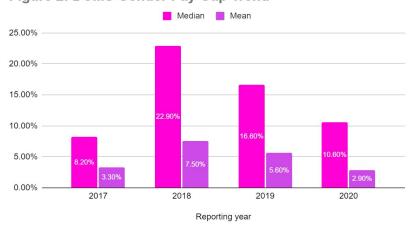


Figure 2 demonstrates the trend in our mean and median pay gaps. The mean gender pay gap is the difference between the average pay for women and average pay for men.

The median gender pay gap is the difference between the hourly rate of pay for the middle female and the hourly rate of pay for the middle male

Excluding the initial increase between 2017 and 2018, both the mean and median gender pay gaps show a downward trend over the years.

Gender Bonus Gap Data 2020

0.2% Mean

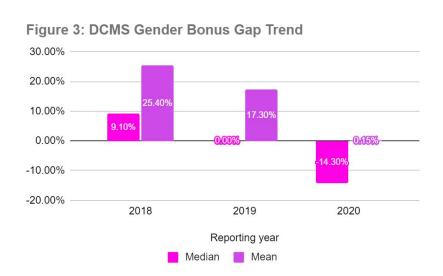


-14.3% Median



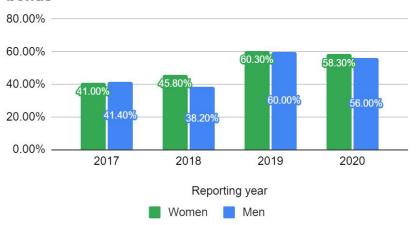
Reduced from 17.3% in 2019

Reduced from 0.0% in 2019



We have also observed a decrease in the gender bonus gap from 2019. This year the bonus pay gap median is -14.3% which means the middle female employee received a 14.30% higher bonus than the middle man. (Figure 3)

Figure 4: Proportion of women and men receiving a bonus



The proportion of men and women receiving a bonus decreased from last year although a greater proportion of women received a bonus than in 2020 than men (Figure 4).

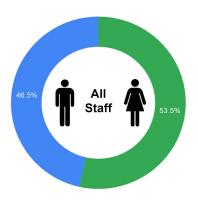
DCMS offers both in-year and end-of-year reward and recognition schemes for delegated grades and a separate scheme for Senior Civil Servants.

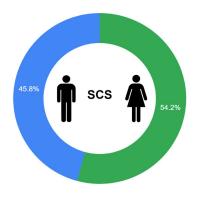
The department's end of year performance awards are paid as a set value depending on grade and performance level, irrespective of gender. The higher the grade, the higher the award. End of year performance awards were given to all staff who receive an 'exceeded' rating in their annual appraisal.

In-year awards are paid to staff, regardless of working hours, on an agreed range based on the level of service provided to the business from categories commendable, exceptional or outstanding. These can be cash payments or vouchers.

Organisational Structure

Figure 5: Departmental gender distribution





DCMS' headcount for all employees in scope for the calculations on the 31 March 2020 snapshot date was 1336 employees. Of this headcount, 1301 employees were identified as 'full pay relevant employees', as set out in the regulations, and included in the calculations; of those included, 53.5% were women (Figure 5). On the same date, the Department had 96 Senior Civil Servants (SCS), 54.2% of whom were women. The proportion of women in the Senior Civil Service has increased since our last report in 2019. DCMS has no Executive Agencies. We have Non-Ministerial Departments that will report their gender pay gap data separately.

DCMS consists of three business groups, each headed by a Director-General (DG): Strategy & Operations, Digital & Media and Culture, Sport & Civil Society. The DCMS grade structure, aligned against the standard Civil Service grading, can be seen in the table below.

DCMS Grade	Civil Service Grade	19/20 Pay Band Minimum	19/20 Pay Band Maximum
A(U)	Grade 6	£57,034	£67,970
Α	Grade 7	£50,345	£57,917
B - Finance	HEO/SEO	£37,922	£44,336
В		£33,107	£38,618
С	EO	£25,481	£27,261
D	AO/AA	£21,789	£22,409

DCMS has a non-discriminatory pay strategy and continuously aims to ensure a strong gender balance in the values and proportion of those receiving non-consolidated bonuses. Although we have increased the proportion of women at

SCS level, our analysis demonstrates that our gender pay gap can be largely attributed to the structure of our workforce, specifically the over-representation of women in the junior grades. The median male salary falls in the bottom of Band A whereas the median female salary is at the top of Band B - Finance. Due to the significant pay jump between Band A and B, our median gender pay gap is larger than our mean gender pay gap.

Gender Pay and Bonus Gap Analysis

2020 marks the fourth year that DCMS has reported on its gender pay gap and analysed the influential factors. Although we should be held accountable to our headline figures, the calculation tells only part of the story and it is important that we interrogate the data to create targeted and evidence-based action plans.

In 2019, we identified that we had successfully reduced our gender pay gap by:

- → Increasing the number of internal promotions for women
- → Improving our allocation of bonus pay
- → Improving the gender balance of our Senior Civil Service

However, our gender pay gap was still impacted by a gender imbalance in our digital roles and a greater number of women in our junior grades.

As a result, our main goals for 2020 to combat the increase in our pay gap were:

- ✓ To increase transparency on pay and promotion processes including bonuses
- ✓ To continue careful consideration of salaries and bonuses awarded to Senior Civil Servants
- ✓ To promote the uptake of Shared Parental Leave and flexible working patterns, using our Senior Civil Servants as role models and our D&I Ambassadors as champions

Whilst we have achieved these goals since our <u>2019 report</u>, there is more work to be done to continue reducing our gender pay gap. Our most recent analysis identifies the following areas for focus:

We will continue to review our recruitment policies and practices to

- ensure they promote diversity and inclusion throughout.
- Introduce quarterly deadlines for in-year bonus spending and encourage reflection on diverse characteristics when nominating staff.
- Improve the support mechanisms for those taking parental leave

Internal Promotions

As observed in 2019, DCMS has a higher proportion of women than men overall (Figure 6) and there has been an increase in the representation of women at SCS level, with more women than men in 3 out of the 4 grades at this level. This trend has contributed to the reduction in our gender pay gap that has been observed in 2020.

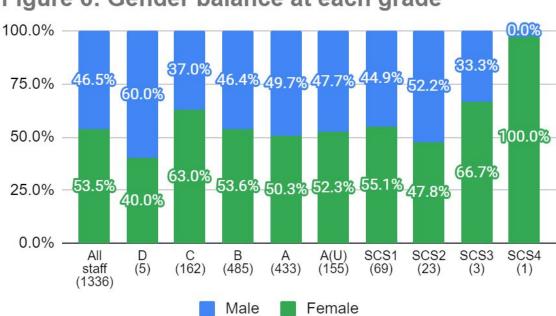


Figure 6: Gender balance at each grade

Although women are still overrepresented in grade C (Figure 6), there has been a decrease in the proportion of women in lower grades D-B and an increase in the proportion of women in grades A, SCS1 and SCS2 in comparison to 2019 (Figure 7). As such, when we review the distribution of women in DCMS we have a greater proportion in higher grades and a lower proportion of women in lower grades than observed in the previous year.

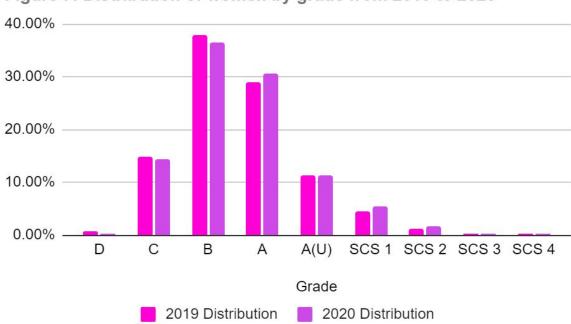


Figure 7: Distribution of women by grade from 2019 to 2020

To better understand the improved gender balance, we identified the men and women who were included in both the 2019 and 2020 calculations. We then compared any individual changes in grade between the two calculations (Figure 8).

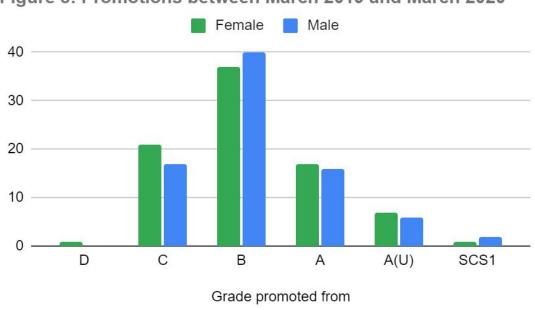


Figure 8: Promotions between March 2019 and March 2020

This identified that between March 2019 and March 2020, 51% of internal promotees were women. A higher proportion of women were promoted from band C (55%), band A and A(U) at 52% and 54% respectively. These promotions have supported the progression of women into more senior grades and reduced our gender pay gap.

However more men than women secured promotions into SCS2 (Director) roles which maintains a higher proportion of men than women (Figure 6).

Next steps:

We will continue to monitor our recruitment and promotion practices in order to encourage more women into SCS2 roles and reduce the overrepresentation of women in Band C roles.

Bonus Pay

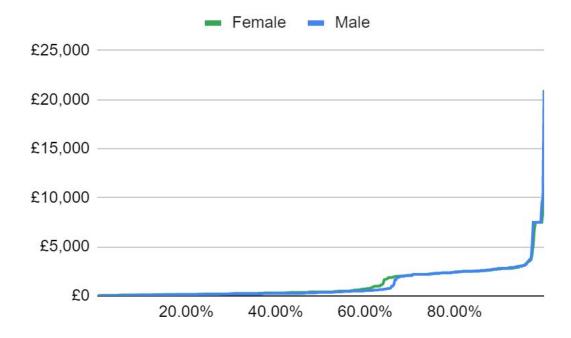
Our gender bonus gap has been reduced for this reporting year by 17.15 percentage points on the mean measure and 14.3 percentage points on the median measure.

Our analysis has highlighted that between 1 April 2019 and 31 March 2020:

- ✓ Women received proportionally more in-year bonuses¹
 - o 61.9% of in-year bonuses were awarded to women.
- ✓ End-of-year bonuses were awarded proportionally overall to men and women⁴
 - 53.8% of end-of-year bonuses were awarded to women.
- ✓ Bonuses were awarded near equally to men and women
 - 56% of men and 58% of women in DCMS received a bonus.

-

¹ Based on the snapshot date 31 March 2020, 53.5% of DCMS employees in scope were female.



The graph above (Figure 10) highlights that unlike in 2019 where more higher-value awards were made to men, in 2020 there is overlap in the top 5 percentiles. Furthermore, female bonus payments spike at the 60 percentile reflecting the overall bonus pay gap figure which shows women receiving higher bonus payments. However as observed last year a higher proportion of bonuses that were £7,000 or greater were awarded to men (55%).

Next steps:

This analysis highlights that we need to continue careful consideration of how bonuses are awarded particularly at SCS level. In addition to monitoring gender outcomes with the annual Senior Civil Service pay award. The recruitment team will scope mechanisms for removing bias in the recruitment process e.g. piloting the 'BE Applied' software and the use of gender neutral language in our job descriptions and adverts to increase the attraction and recruitment of female applicants. This has been assessed by the Government Equalities Office as a promising action to reduce gender pay gaps.²

Department for Digital, Culture, Media and Sport

² Government Equalities Office, 'Actions to close the gender pay gap' *Gov.UK*, 1 December 2017. Available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/731288/Gender-Pay-Gap-actions_pdf

Comparison to the wider Civil Service

The 2020 Civil Service Gender Pay Gap data was published in August this year, as part of the Annual Civil Service Employment Survey (ACSES). This year ACSES has adopted the same methodology for calculating GPG as that already used by departments, in line with the legislation.

For 2020, the ACSES reported a wider Civil service 'gap' of 10.3% on the mean measure and 9.2% on the median measure.³ Whilst DCMS' mean gap of 2.69% is more favourable, our median is greater than the wider civil service at 10.62%.

³ Cabinet Office, 'Civil Service Statistics 2020' GOV.UK 2020 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/820198/Statistical_tables_Civil Service Statistics 2019 1 xlsx

Summary of actions

DCMS is committed to reducing the gender pay gap, and our approach to pay and bonuses seeks to reward all staff fairly, regardless of gender. With the analysis and knowledge in this report, DCMS is better equipped to closing the gender pay gap.

In addition to the actions and initiatives raised in our 2018 report and 2019 report, we have outlined below further actions that we are taking to target our gender pay gap as it changes.

We will continue to focus on maintaining a balance of men and women across all grades in the department, reviewing our pay practices to reward men and women fairly.

- 1. We will continue to review our recruitment policies and practices to ensure they promote diversity and inclusion throughout.
 - The recruitment team will scope mechanisms for removing bias in the recruitment process e.g. piloting the 'BE Applied' software and the use of gender neutral language in our job descriptions and adverts to increase the attraction and recruitment of female applicants.
- 2. Introduce quarterly deadlines for in-year bonus spending and encourage reflection on diverse characteristics when nominating staff
 - By introducing quarterly spending deadlines we are encouraging more regular spending to ensure that all performance, by all staff, is considered and rewarded throughout the year.
- 3. Improve the support mechanisms for those on parental leave
 - Introduction of virtual 'Keeping in Touch' days to ensure individuals on parental leave have the opportunity to discuss departmental changes and return to work during Covid-19.
 - Review the current return to work process and establish a Buddy Scheme to match staff who are planning their return to work from parental leave and staff who have previously experienced this transition within the department.

Declaration

We confirm that data reported by the Department for Digital, Culture, Media and Sport 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.

Kate Caulkin, Director for People and Workplace



Sarah Healey, Permanent Secretary

Department for Digital, Culture, Media & Sport

4th Floor, 100 Parliament Street London SW1A 2BQ www.gov.uk/dcms November 2020