

Gender Pay Gap Report

1 April 2020 - 31 March 2021

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Foreword

Since the legislation was introduced in 2017, the CMA has published our gender pay gap report and continued to focus on introducing initiatives to help us close our gender pay gap. Equality, diversity and inclusion are of fundamental importance at the CMA, and we believe that the continued publication of this report is an important tool to help us achieve our ambition to fully embed a diverse and inclusive culture. We actively listen to staff feedback, seek improvements and proactively develop plans to make the CMA an even better place to work.

Our gender pay gap measures the difference in pay between male and female employees, and whereas we are fairly balanced in terms of the gender split across our workforce, we are keenly aware of the reasons for our gender pay gap and have introduced a variety of corporate initiatives designed to improve our current position.

These have included the introduction of success profiles (a more flexible recruitment framework that assesses candidates against a range of elements), continuing with the use of flat-rate bonus payments to SCS and non-SCS colleagues, and always ensuring that we have both men and women on our interview panels.

We are pleased about the progress that we have made over the past few years to reduce our gender pay gap through these initiatives, but are disappointed that this year, our gender pay gaps have increased.

Therefore, this year we have committed to a broader range of initiatives designed to reduce our gender pay gap. Our new programme of work has five key focus areas:

- Recruitment
- Pay and Reward
- Learning and Development
- Culture and Engagement
- Ways of Working

Our board and executive team are fully committed to reducing our gender pay gaps and understand that this will require sustained effort from us as an organisation. The board and the executive team fully endorse the range of initiatives detailed within this plan to ensure that we do all we can to close our gender pay gaps.

Andrea Coscelli, Chief Executive

Amelia Fletcher, Non-Executive Director and Wellbeing, Inclusion, Diversity and Equality Steering Group (WIDE) Chair

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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. As an organisation, the CMA remains committed to promoting equality and diversity and inclusion amongst our workforce. In August 2020, we published our 'Equality, Diversity and Inclusion Strategy 2020 - 2024' and 'Equality, Diversity Action Plan 2020 - 2022' which set out our ambitious programmes of work which seek to embed a diverse and inclusive culture within the CMA. We continue to take steps to minimise the gender pay gap and our approach to pay seeks to reward staff fairly, regardless of gender.
3. This report sets out the CMA's gender pay gap and the CMA's action plan to address the gap.

Background

4. 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 effect on 31 March 2017. These regulations underpin the Public Sector Equality Duty and require relevant organisations to publish their gender pay gap data by 30 March for the preceding financial year.
5. The statutory pay measures contained in this report are:
 - (i) the mean and median gender pay gaps;
 - (ii) the mean and median gender bonus pay gaps;
 - (iii) the proportion of men and women who received bonuses; and
 - (iv) the proportion of male and female employees in each pay quartile.
6. 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 there

is 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.

7. 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.
8. 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 gap by grade and the CMA's action plan to tackling any arising issues.

Gender Profile of the CMA

9. At 31 March 2021, the CMA had a total of 835 staff¹ in the UK with 781 based in London, 48 in Edinburgh, 3 in Cardiff and 3 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 2021 are excluded as they are not 'full pay relevant' employees.
10. The gender profile of full pay relevant CMA staff at 31 March 2021 is below:

Figure 1: CMA Gender Profile by workforce as of 31 March 2021

CMA Workforce	Total staff	Male	Female
AO to Grade 6	724	47.9%	52.0%
Senior Civil Service	111	56.8%	43.2%
All staff	835	49.1%	50.9%

Figure 2: CMA Gender Profile by grade as of 31 March 2021

Civil Service grade	Total staff	Male	Female
AO	27	51.9%	48.1%
EO	76	47.4%	52.6%
HEO	141	44.0%	56.0%
SEO	55	45.5%	54.5%
Grade 7	232	48.3%	51.7%
Grade 6	193	50.8%	49.2%

¹ This is the headcount of staff deemed to be full pay relevant employees on the CMA payroll for gender pay gap reporting purposes. There were 855 staff employed by the CMA at this date, but not all were full pay relevant employees and so are not included in the gender pay gap report.

SCS PB1	87	55.2%	44.8%
SCS PB2 and PB3	24	62.5%	37.5%
All staff	835	49.1%	50.9%

11. The gender profile of CMA staff is 49.1% male and 50.9% female. This is a slight increase in female representation since 2019 - 2020 when 49.4% of staff were female. This can be attributed to an increase in women joining the organisation where 58.4% of new joiners were women; of note, almost two-thirds of these joiners were at Grade 7 and above.
12. Looking at our Senior Civil Servants (SCS) community, the proportion of male to female staff has also changed since 2019 - 2020. The proportion of female SCS staff increased slightly from 42.7% to 43.2%. As there were a limited number of recruitment campaigns at SCS grades, the profile has shifted due to male staff accounting for two-thirds of all SCS leavers.
13. We know that an over representation of women at lower grades as well as an under representation of women at higher grades is a cause of the gender pay gap across the Civil Service². Looking at our gender profile more closely, this is the same for the CMA.
14. As the CMA grows in 2021 - 2022 and subsequent years to take on additional responsibilities with the [Office for Internal Markets](#) and [Digital Markets Unit](#), we are optimistic that many of these new roles – particularly those at SCS – can be filled with more diverse voices, including women. Improving the gender balance in senior grades will be one of the key ways in which we will reduce the pay gaps at the CMA.

Calculating the Gender Pay Gap

Ordinary Pay

15. 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 bonus payments made in March 2021. Salary sacrifice amounts are deducted from this value.
16. The calculation for the mean and median ordinary pay only includes 'full pay relevant' employees, as described in paragraph 9.

² Statistical Bulletin - [Civil Service Statistics 2020](#), published August 2020

17. 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.
18. The following table shows the **mean pay gap** (which is the difference between the average hourly pay between men and women) and the **median pay gap** (which is the difference between the midpoints of the average hourly pay of men and women):

Figure 3: CMA Gender Mean and Median Pay Gaps for 2020 - 2021

Measure	Gap
Mean pay gap	6.7%
Median pay gap	5.5%

19. The ordinary pay gaps have widened from 2019 - 2020, where the mean pay gap was **5.6%** and the median pay gap was **2.9%**.
20. As a small department, we know that our gender pay can be affected by small changes to our gender representation and pay. Some of the factors that have contributed to the ordinary pay gaps widening in 2020 - 2021 are:
- (a) Digital, Data and Technology (DDaT) allowances were introduced in the 2020 - 2021 financial year. These allowances are paid to eligible DDaT roles – defined by the Government Digital Service (GDS) who centrally own the DDaT Framework – which evidence attraction and retention issues across government due to the scarcity of professionals in the job market. Of those staff who received allowances for holding eligible roles, 68.7% of these were men. In addition, DDaT allowances for men are, on average, 39.2% higher than female staff due to male staff evidencing higher capability levels through the capability assessment process;
 - (b) Although we saw near parity for turnover by gender (53.9% of leavers were male and 46.1% were female), male leavers generally tended to be more junior and female leavers more senior. As an illustration using grades AO to HEO, these accounted for 54.0% of male leavers, while these accounted for only 38.9% of female leavers; and
 - (c) While we note that women accounted for the majority of new starters (58.4%), two-thirds of SCS appointments were men. However, it should be noted that there were only three campaigns at SCS due to low turnover in 2020 - 2021.

21. The following table shows the mean and median gender pay gaps for 2020 - 2021 broken down by grade.

Figure 4: Mean and median gender pay gaps by grade for 2020 - 2021*

Civil Service grade	Mean pay gap*	Median pay gap*
AO	-0.3%	0.0%
EO	-0.4%	1.1%
HEO	-0.2%	-1.8%
SEO	1.6%	2.6%
Grade 7	1.4%	1.8%
Grade 6	1.4%	1.9%
SCS PB1	1.4%	2.3%
SCS PB2 and PB3	1.1%	0.2%
All staff	6.7%	5.5%

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

22. Looking at the mean and median gender pay gap analysis by grade, the differences are small (no higher than 3.0% across any measure / grade) between male and female staff. This indicates that while there is an overall pay gap (primarily driven by an underrepresentation of female staff at SCS), the ordinary pay received by male and female staff is relatively equal within grade.
23. The small gaps can largely be attributed to the CMA's approach to pay awards for staff in grades AO to Grade 6, as well as SCS staff. As in previous years, we implemented tiered pay awards based on each individual's position in their pay range, providing targeted pay progression for all staff particularly those lowest in their pay band. We note that female staff make up 53.1% (grades AO to Grade 6) and 51.4% (SCS) of the lowest pay quartile within their respective pay range, so providing tiered pay awards has contributed to closing pay gaps within grades.
24. We note that the CMA's gender pay gap compares favourably against the ordinary pay gaps for the rest of the Civil Service. In 2020, the Cabinet Office reported that the Civil Service average mean pay gap was 9.3% and the average median pay gap was 10.5%³.

³ Source: [Statistical Bulletin - Civil Service Statistics 2020, published August 2020](#)

Bonus Pay

25. Bonus pay, which is also calculated as mean and median, is based on bonus payments paid to staff throughout the 2020 - 2021 financial year and up to 31 March 2021.
26. As this covers a full year period, this calculation includes employees who are not 'full pay relevant' employees but will not include employees who left the CMA before 31 March 2021.
27. At the CMA, bonus pay includes performance related pay (PRP) for all staff. The payments made in 2020 - 2021 were based on performance management outcomes for the previous financial year (1 April 2019 – 31 March 2020). In the case of staff in grades AO to Grade 6, these payments are negotiated annually with our recognised trade unions. For SCS staff, there are separate arrangements which are centrally set by government each year.
28. In addition, staff in grades AO to Grade 6 also have a Staff Recognition Scheme which provides non-consolidated cash awards between £25 and £750. Any scheme awards made during the 2020 - 2021 financial year are also included in bonus pay calculations.
29. It should be noted that bonus calculations must also include 'Pivotal Role Allowances'. These are payments, approved by a subgroup of the Civil Service Board and Chief Secretary to Treasury, aimed at retaining SCS staff in highly specialised roles and those delivering high-risk, major projects within the Civil Service. The allowances for a small number of SCS staff were paid in instalments on completion of project milestones throughout the 2020 - 2021 financial year.
30. In the 2020 - 2021 financial year, **68.6%** of men received a bonus payment compared with 68.7% in 2019 - 2020. The number of women who received a bonus decreased to **67.7%** in 2020 -2021 when compared with 72.1% in 2019 - 2020. This can be attributed to the fact that organisational awards were not awarded in 2020 - 2021, whereas they were awarded to the majority of staff in grades AO to Grade 6 in 2019 - 2020. Another contributor is that we had more women receiving bonus eligible performance ratings for 2018 - 2019 compared to 2019 - 2020.
31. The following table shows the **mean bonus gap** (which is the difference between the average bonus pay between men and women) and the **median bonus gap** (which is the difference between the midpoints of the average bonus pay of men and women):

Figure 5: CMA Gender Mean and Median Bonus Gaps for 2020 - 2021

Measure	Gap
Mean bonus gap	41.2%
Median bonus gap	57.3%

32. The bonus pay gaps have widened from 2019 - 2020, where the mean bonus gap was **29.3%** and the median bonus gap was **-2.5%**.
33. We know that the bonus gap continues to be affected by the following factors:
- (a) The value of bonuses for SCS staff is significantly higher than staff in grades AO to Grade 6. This is due to the size of the 'performance pay pots' which are set centrally by government; eligible SCS staff share 3.3% of the previous year's SCS paybill for bonuses, while eligible staff in grades AO to Grade 6 share 1.5% of the previous year's paybill for both performance related payments and Staff Recognition Scheme payments. The difference in the size of the pots coupled with the lower number of female staff in the SCS widens the bonus gap significantly.
 - (b) Performance related payments made in 2020 - 2021 for staff in grades AO to Grade 6 were tiered based on a fixed proportion of each grade's minimum salary. Given that these payments were tiered and female staff make up the majority of junior grades (excluding AO), this has contributed to the bonus pay gaps.
 - (c) There are significantly more females than males doing part-time roles, with 80.3% of part-time working arrangements performed by females. This impacts bonus gap figures as performance related payments for both non-SCS and SCS staff are pro-rated to account for working hours.
 - (d) The inclusion of Pivotal Role Allowances in bonus calculations, as all current recipients are male.
34. We also note the below additional factors, which have contributed to the widening of the bonus gaps in 2020 - 2021:
- (a) For eligible staff in grades AO to Grade 6, there was a decrease from 2019 - 2020 to 2020 - 2021 in the proportion of women who received PRP (-11.9%) as well as those who received 'Consistently Exceeding' performance ratings (-26.6%). This is relevant as the majority of women who were eligible for PRP received 'Partially Exceeding' ratings; staff in receipt of a 'Partially Exceeding' rating were awarded 50% of the PRP value awarded to 'Consistently Exceeding' staff of the same grade; and

(b) For eligible staff at SCS, there was also a decrease from 2019 - 2020 to 2020 - 2021 in the proportion of women who received PRP (-26.7%) This is significant as the value of PRPs are significantly higher than those awarded to staff in grades AO to Grade 6 as described above.

35. The following table shows the mean and median gender bonus gaps for 2020 - 2021 broken down by grade.

Figure 6: CMA Gender Mean and Median Bonus Gaps by grade for 2020 - 2021

Civil Service grade	Mean bonus gap *	Median bonus gap*
AO	54.3%	52.1%
EO	-2.3%	-14.9%
HEO	36.3%	63.6%
SEO	26.7%	60.0%
Grade 7	7.2%	31.5%
Grade 6	19.0%	33.8%
SCS PB1	29.0%	7.6%
SCS PB2 and PB3	5.0%	5.0%
All staff	41.2%	57.3%

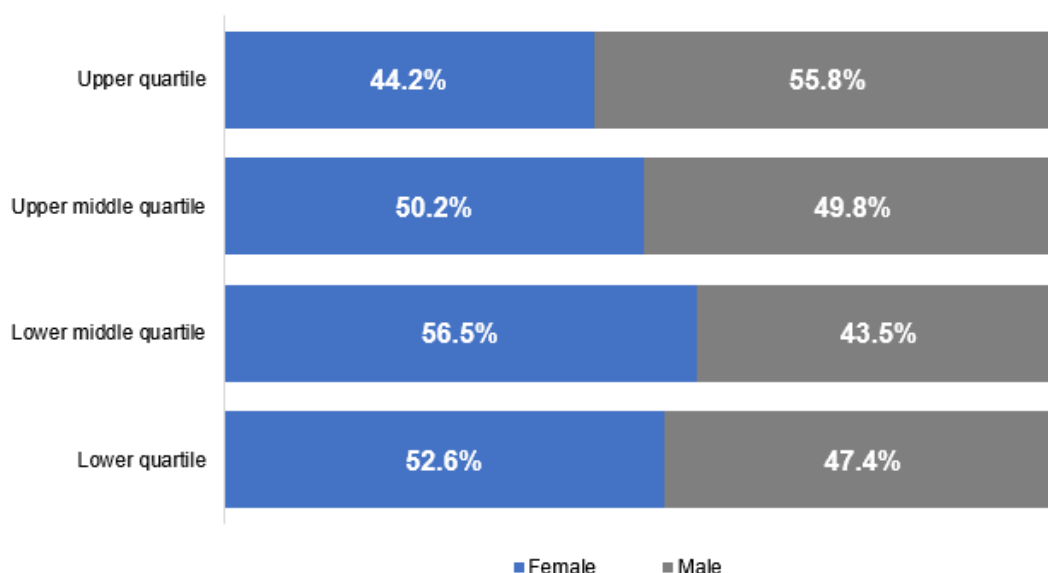
** Where we have a negative percentage, this means that the bonus pay of female staff is higher than the bonus pay of male staff.*

36. Looking at the mean and median bonus gap analysis by grade, the gaps are in favour of male staff receiving higher mean and median bonuses at all grades except the EO grade. We attribute these gaps to the factors described above.
37. An additional factor is the types of bonus payments being reported. We note that of the women in receipt of bonus payments for 2020 - 2021, 53.2% of these were for staff who only received Staff Recognition Scheme payments (compared to 41.2% for men). This is a major contributor to the large pay gaps for grades AO to Grade 6 as Staff Recognition Scheme payments are significantly lower (between £25 - £750) than PRPs (between £700 and £4,500 depending on grade and performance rating). We also note that while a higher proportion of women received Staff Recognition Scheme payments than men, the average amount of these awards was 7.5% less than men.

Pay by Quartiles

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

Figure 7: Proportion of staff by gender in each pay quartile for 2020 – 2021



39. The pay quartile distribution shows that the proportion of female staff in the lower, lower middle and upper middle quartiles is higher than male staff, as women, generally, make up a higher proportion of our junior grades. We note that female representation has increased across these quartiles since last year, owing to a higher proportion of female joiners.
40. The upper quartile, which is mainly comprised of Grade 6 competition specialists and SCS staff, has a higher proportion of male staff. Increasing female representation at senior grades, particularly the SCS, will improve the gender balance in the upper quartile.

Closing the Gap – Actions for the CMA

41. The CMA is committed to reducing, and eventually eliminating, the gender pay gap. We have implemented a robust set of evidence-based actions across the employee lifecycle that contribute to addressing our gender pay gap. These actions are highlighted in the table below:

What we have done and will continue to do

Focus Area	Programmes of Work
Recruitment	<ul style="list-style-type: none">• The CMA uses the Success Profiles Framework for recruitment. Rather than relying solely on interviews, candidates are assessed against a range of elements including technical skills, experience and behaviours that would be expected for their role.• All recruitment campaigns have structured interview plans which are designed to ask questions about role competency, ensuring that questions are fair and not biased. All candidates are asked the same questions and assessed against the same criteria.• We have committed to a broad ambition that our organisational diversity at all levels should reflect that of the UK public.• Diverse hiring panels (including BAME and / or a panel member with a disability) are mandatory for all SCS interviews. All SCS and non-SCS interviews have diverse gender panels, wherever possible.• We facilitate regular hiring manager training which features how to recognise bias in the recruitment process, how to conduct inclusive interviews, the importance of having diverse interview panels and steps interview panel members can take to overcome bias at interview. The course also includes training on best practice interviewing skills.

Pay and Reward	<ul style="list-style-type: none"> • 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 who are working at the same grade. • Flat rate bonus payments for non-SCS and SCS staff have been in place since 2018 - 2019. This means that high performing staff at each grade will receive the same bonus payment irrespective of their position on the pay scale. • All CMA campaigns show the minimum and maximum salary that can be offered on appointment and we include wording on adverts to explain how this is applied. We also abide by rules on pay on promotion or level transfer set within the Civil Service. 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 made above the minimum advertised salary. • We offer Shared Parental Pay at the same level as enhanced maternity pay, to eligible staff. • We ensure that all staff returning 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.
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Learning and Development	<ul style="list-style-type: none"> • All new staff complete the CMA induction programme which includes a workshop activity on culture, respect and inclusion. • We also ask all staff to undertake “Equality and Diversity Essentials” training and a “Respect in the Workplace” course. • Our Sponsorship programme, Accelerate, is a 12-month programme providing focused development and support for our talented aspiring colleagues from underrepresented groups. It has been designed to provide challenge and support to enable colleagues to progress their careers within the CMA. A lessons learnt exercise will be run to determine how and whether the CMA should include this Sponsorship offer in its regular yearly programme offer. • Our Aspire development programme provides a range of skills development courses for all grades. The programme started on 1 May 2021 with 18 colleagues from a range of underrepresented groups and from a variety of grades signed up to it. Aspire will be embedded into our core talent offer via the Academy. • 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 delivered through facilitated modules, mentoring sessions, and peer support groups. • We have extended our coaching offer to provide expert support alongside informal workplace mentoring. We have trained a cross-section of staff to increase our internal pool of coaches, and we have increased our visibility of mentors through regular communication. These opportunities are available for all staff to access. • 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, Grade 6 staff and SCS Pay Band 1 staff.
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Culture and Engagement	<ul style="list-style-type: none"> • The CMA has twelve active staff networks, including the Women's Network, which are sponsored by senior CMA staff. In addition, we have three EDI governance groups: the WIDE Steering Group, the EDI Working Group and the Positive Action Steering Group. • The Wellness, Inclusion, Diversity and Equality (WIDE) Steering Group set the strategic direction of EDI activities in the CMA with a strong focus on driving collaboration between networks/groups and identifying inter-sectional issues that need to be addressed. The group monitors progress of EDI activities against published plans and ensures that our people policies – and their application by managers – fully promote equality and diversity. • The EDI Working Group focuses on delivery of key EDI initiatives and projects by generating ideas, providing guidance to staff networks, and providing a forum for attendees to volunteer to take on programmes/tasks that will advance the CMA's EDI agenda.
Ways of Working	<ul style="list-style-type: none"> • 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. • 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. • We advertise and offer all jobs as having flexible working options, such as part-time work or compressed hours. Staff testimonials on flexible working are included on our online promotional materials as part of our employee value proposition.

What we will do in future

Focus Area	Future Actions
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Recruitment	<ul style="list-style-type: none"> • We will review our equality reporting practices in consultation with staff representatives in 2021 - 2022. This review will ensure that we are carrying out analysis in a more statistically robust way and improve our ability to identify areas of concern in the outcomes for particular groups, including women. This will also enable us to assess our progress towards meeting our equality commitments. • We will ensure that our Recruitment methods and approaches are reviewed to provide the most diverse candidate pools for our campaigns. • We will work on analysing our recruitment data to understand the diversity profile at key stages in the recruitment process. We will also analyse our data on progression and turnover to understand how people progress within the CMA and identify any trends. • We will run a Legal Returnship campaign in 2021 - 2022 and expect to run further rounds in subsequent years.
Learning and Development	<ul style="list-style-type: none"> • We will introduce an organisation-wide learning programme to explore key inclusion themes of racism, microaggressions and allyship in Q1 2021-2022. We will also deliver an awareness tool on what is good allyship. • In 2021 - 2022, we will progress our review of the performance management process for grades AO to Grade 6 to ensure the process is fair and equitable. We will facilitate focus groups with staff to ensure that a broad, diverse set of perspectives can inform our review. • We will introduce cross-organisational training for all staff on effective performance management, 2021-2022 focusing on the inclusion of all staff and recognising different contributions. • Following our successful pilot, we will roll out our mutual mentoring programme, pairing SCS colleagues with mentors from under-represented groups at grades AO – Grade 6. This programme will provide for both partners, and build a greater understanding of the barriers faced by under-represented groups.

Culture and Engagement	<ul style="list-style-type: none"> • We will continue to promote equality and diversity across the CMA through a variety of channels, including empowerment of our staff networks and delivering EDI initiatives set out in our Corporate Action Plan. • We will continue to promote our staff networks to potential applicants via online methods (e.g. on LinkedIn) and via the job application system.
Ways of Working	<ul style="list-style-type: none"> • We will move to a hybrid model of working during 2021. This will support a culture of trust and enable more widespread flexibility in the delivery of our work, wherever we work from. All employees will feel empowered to work flexibility and this will support greater gender equality. • We will promote workplace flexibility to our staff and in our attraction materials for candidates.

Declaration

42. 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.