

# Government Legal Department Gender Pay Gap Report 2021









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## Summary

### Gender Pay Gap

Year	Mean Pay Gap	Median Pay Gap
2021	-2.64%	-1.13%
2020	-1.98%	-0.14%
2019	-0.64%	0.76%

## Bonus Pay Gap

Year	Mean Bonus Pay Gap	Median Bonus Pay Gap
2021	4.37%	0.00%
2020	5.94%	0.00%
2019	27.25%	13.04%

## Proportion of Males and Females receiving a Bonus payment

Year	Female	Male
2021	74.06%	74.23%
2020	74.56%	77.41%
2019	67.45%	67.38%

## Hourly Pay Quartiles

Quartile	Female	Male
Upper Quartile	66.88%	33.12%
Upper Middle Quartile	62.70%	37.30%
Lower Middle Quartile	66.23%	33.77%
Lower Quartile	61.83%	38.17%



## Introduction

In 2017, the Government introduced legislation that made it a statutory requirement 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 require GLD 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 employees who are men or women in each pay quartile.

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

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.

#### **Definitions**

The Regulations introduce two new concepts:

- "relevant employee" this is an employee on the snapshot date, 31 March 2021. The number of relevant employees is used in some of the calculations;
- "full pay relevant employee" this is an employee on the snapshot date, 31 March 2021 who receives their normal March salary. This is not the same as full time equivalent.

Employees who are either not being paid or are on reduced, statutory or nil pay during March 2021 are not "full pay relevant employees". For example, an employee on maternity leave whose occupational maternity pay runs out on 15 March and starts to receive statutory maternity pay will be a "relevant employee", but not a "full pay relevant employee".

The Regulations also require information to be reported under the following definitions:

- The **mean average** is calculated by adding together all the values and dividing by the number of values. In this case a mean average is calculated for men, a mean average is calculated for women, and the two mean averages are compared.
- The **median average** is calculated by sorting the values into an order from lowest to highest, and then finding the value that is in the middle of that sorted list. In this case a



median average is calculated for men, a median average is calculated for women, and the two median averages are compared.

• The **pay quartiles** are hourly pay for all staff that are sorted into order from the lowest amount to the highest amount. This ordered list is then split into four equal parts, known as quartiles. The lowest pay quartile contains the first quarter of the ordered list, i.e. the 25% of the list with the lowest hourly rates of pay. The upper quartile contains the 25% of staff whose hourly rates of pay are the highest. Quartiles are related to the median average, as the median average marks the point between the second and third quartile.

### Headline Gender Pay Gap Figures

GLD's headline mean (-2.64%) and median (-1.13%) gender pay gap figures remain close to zero and continue to compare favourably with the wider Civil Service. The <u>Cabinet Office reported</u> that in 2019 that the Civil Service average mean pay gap was 10.5% and the average median pay gap was 9.3%. GLD's bonus gap has also seen a further reduction on 2020 figures to a mean of 4.37% whilst the median bonus gap remains at 0%.

### Reflections from our Permanent Secretary

GLD's vision is to be an outstanding legal organisation and a brilliant place to work. To achieve that one of our key strategic outcomes is to be recognised across the Civil Service and externally as a leading employer in relation to diversity and inclusion and wellbeing. I believe our gender pay gap data provides evidence of our commitment and progress towards that goal. As well as comparing favourably within the Civil Service our gender pay gap is even more unusual when compared with the wider legal profession – making GLD a brilliant place to pursue a legal career. In recent years we have worked on improving our mean bonus pay gap and it has continued to narrow. This progress is encouraging, but we will not be complacent. We will continue to pursue the initiatives set out in this report to reduce these gaps across the department.

#### Susanna McGibbon, Permanent Secretary

## **Organisational Context**

Building a diverse and inclusive workforce that reflects the people we serve is one of the Civil Service's top workforce priorities. The Civil Service as a whole aims to become the UK's most inclusive employer by 2020 and beyond. The Civil Service 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 characteristic.



In June 2019, we published our Diversity and Inclusion Strategy 2019-2022 (D&I Strategy), which supports GLD's vision to be "a brilliant place to work, where we can all thrive and fulfil our potential" and contribute to achieving the Civil Service vision to "become the UK's most inclusive employer".

The GLD D&I Strategy builds on the work we have done as an organisation during the previous GLD Diversity and Inclusion Action Plan 2016-2019. The success of this work is reflected in GLD's high positive score of 85% for 'Inclusion and Fair Treatment' in the 2021 People Survey.

#### **Organisational Structure**

GLD uses Civil Service grades Administrative Officer (AO) to SCS with two additional grades, Legal Trainee (LT) and Legal Officer (LO).

The grades are split into two groups:

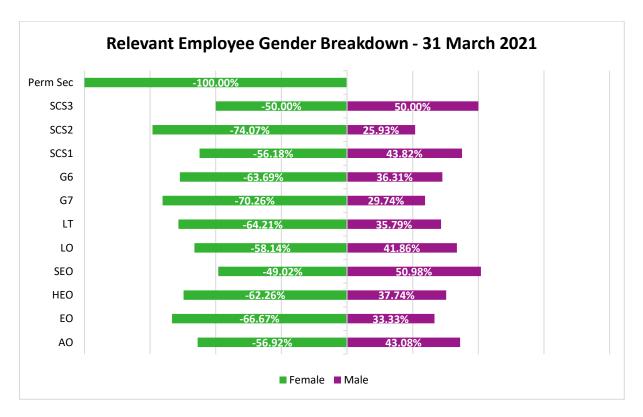
- SCS whose pay and grading structures are determined by the Cabinet Office. The grading structure is underpinned by the analytical Job Evaluation for Senior Posts (JESP) system;
- Delegated grades AO to Grade 6 where GLD has the ability, within the frameworks set by HM Treasury and Cabinet Office, to determine its pay and grading structures. GLD's grading structure is underpinned by an analytical Job Evaluation and Grading System (JEGS).

On 31 March 2021, GLD had 2,620 relevant employees of which 65.19% were women. GLD had 2,453 full pay relevant employees of which 64.41% were women. The difference is due to employees on nil or reduced pay during March 2021.

Since 31 March 2020, GLD's headcount has increased by 84. The percentages of female relevant employees and full pay relevant employees have both increased.

Analysing gender representation across grades, there is a higher proportion of relevant female employees in the majority of grades. The percentage of women in the SCS has increased from 57.50% to 58.37%.





The following gender pay gap analysis is based on the methodology set out in the Equality Act (Specific Duties and Public Authorities) Regulations 2017.

## **Analysis**

### Ordinary pay

The mean gender pay gap is the difference between men and women's average hourly pay. For GLD's full pay relevant employees the mean gender pay gap is -2.64% in favour of women. The median gender pay gap is -1.13% in favour of women.

In comparison to the published figures for 2020, there has been a marginal increase in favour of women in both the mean and median pay gap. This is largely due to an increase in the number of women in the SCS, resulting in a higher percentage of women in the upper hourly pay quartile. GLD's gender pay gap compares favourably with the wider civil service (see <u>Civil Service Diversity and Inclusion Dashboard</u>) and remains close to zero.



Year	Mean Pay Gap	Median Pay Gap
2021	-2.64%	-1.13%
2020	-1.98%	-0.14%
2019	-0.64%	0.76%
2018	-0.19%	1.70%

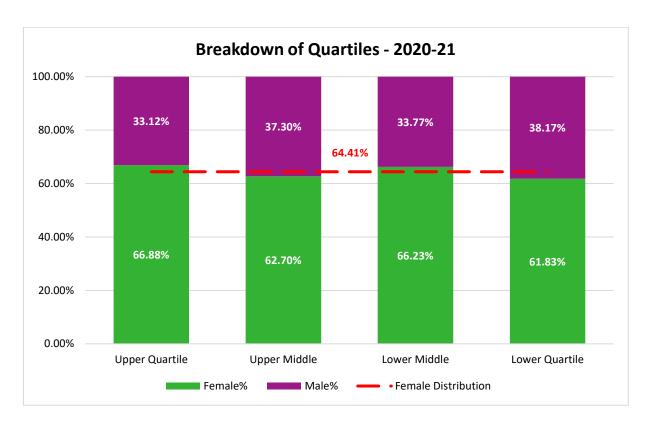
## Hourly pay quartiles

The hourly pay quartiles show the proportion of male and female full pay relevant employees in each quartile, when they are arranged in order of hourly pay rate.

Quartile	Female	Male
Upper Quartile	66.88%	33.12%
Upper Middle Quartile	62.70%	37.30%
Lower Middle Quartile	66.23%	33.77%
Lower Quartile	61.83%	38.17%

As was the case in 2020, the gender composition of all four quartiles is very similar to GLD's relevant employee gender composition. The approximate 64:36 ratio of women to men at all levels in the organisation is why GLD's mean and median gender pay gaps remain low.





### Bonus pay

#### Delegated grades AO to Grade 6

GLD operates a special bonus scheme which recognises and rewards individuals or teams for exceptional achievements relating to specific tasks or activities, and/or for acting as an outstanding role model in the demonstration of GLD's Values. In February 2020, changes were introduced to GLD's special bonus scheme including limiting awards to specific values (£50 or £100 vouchers or cash awards of £250 or £500). Prior to this, individuals could receive vouchers in increments of £10 up to £100, or cash awards of between £101 and £500.

As part of the 2020 pay award, employees who received an "Exceeds All" performance descriptor for the 2019-20 appraisal year received a one off Non-Consolidated Performance Related Pay (NCPRP) award of £450. All eligible employees received the £450 payment in full. GLD does not pro-rata the award for part time employees.

The special bonus scheme and NCPRP are subject to a cost control of 0.79% of GLD's delegated grades pay bill.

#### Senior Civil Servants (SCS)

GLD has discretion to make in-year non-consolidated award payments to recognise outstanding contribution to up to 20% of the SCS community. For 2019-20, GLD offered awards of £2,000 and £4,000. GLD does not pro-rata the award for part time employees.



Cabinet Office guidance sets the policy for the SCS NCPRP award. For 2019-20, employees who were assessed as a "Top" performer for the 2018-19 performance year received a one off NCPRP award of £6,450 (SCS1) or £12,000 (SCS2 and SCS3). Such payments were restricted to the top 25% of performers. As with delegated grades, GLD does not pro-rata the award for part time employees.

#### Bonus gender pay gap

Analysis revealed that overall, GLD has a mean bonus pay gap of 4.37% in favour of men. GLD's median bonus pay gap remains 0%. Whilst there is still a disparity in mean bonus pay between men and women, the gap has continued to decrease from 2019 figures. This improvement is in part a result of changes to the special bonus scheme which came into effect in February 2020. Another factor is the increase in the proportion of women in the SCS.

Year	Mean Bonus Pay Gap	Median Bonus Pay Gap
2021	4.37%	0.00%
2020	5.94%	0.00%
2019	27.25%	13.04%
2018	21.76%	40.00%

During 2020-21, GLD operated four different bonus schemes, two for delegated grades and two for SCS. The rules and funding for the SCS schemes follow Cabinet Office guidance and are different to those for the delegated schemes. This means in one scheme an employee could receive a bonus of £30 (Delegated Grades Special Bonus Scheme) and, in another, an employee could receive a bonus of £12,000 (SCS NCPRP). Calculating the mean and median with such widely disparate figures can lead to a significant disparities

The median is impacted by the very different numbers of relevant employees receiving a bonus under each bonus scheme. The breakdown of bonuses (i.e. count of relevant employees receiving an award) is as follows:-



Bonus Scheme	Male	Female	Total
Delegated Grades Special Bonus	609	1115	1,724
Delegated Grades NCPRP	192	439	631
SCS Special Bonus	32	49	81
SCS NCPRP	20	34	54
Total	781	1,506	2,287

We have also drilled down into the headline figures and analysed the gender pay gap for each bonus scheme as follows:

#### **Delegated Grades Special Bonus Scheme**

This is the in-year scheme for AO to Grade 6, where employees may receive vouchers or cash awards of between £10 and £500. The mean award was £167.50 for women and £181.72 for men. The median award was £130.00 for women and £130.00 for men.

Year	Mean	Median
2021	7.82%	0.00%
2020	0.28%	0.00%
2019	9.04%	15.38%

The mean gap has increased in favour of men on 2020 figures, with the difference between mean bonuses amounting to £14.22. The difference is due to a slightly larger proportion of men having received more than one bonus under the scheme, resulting in a higher mean award.

In February 2020, bonus awards were limited to specific values (£50 or £100 vouchers or cash awards of £250 or £500). Revised guidance that contained examples illustrating consideration of protected characteristics was also distributed along with an increased emphasis on ensuring diversity and inclusion considerations were taken when nominating staff for bonuses. GLD HR will continue to work with managers to guide them in monitoring their application of the scheme from an equalities perspective and in investigating any potential bias in the distribution.

#### **Delegated Grades NCPRP**

This is the end of year performance bonus. A flat rate of £450 was paid to all staff who received an "Exceeds All" descriptor for the 2019-20 performance year. Whilst this end-of-year award relates to performance during the period April 2019 to March 2020, these payments are included in the 2020-21 Gender Pay Gap report as they were paid as part of GLD's 2020 pay award, the

settlement date for which was 1 August 2020. As of April 2021, GLD has ceased end of year performance bonuses for delegated grades and has moved entirely to in year rewards.

GPG Year	Mean	Median	Award
2021	0.00%	0.00%	Flat rate £450
2020	0.00%	0.00%	Flat rate £725
2019	0.00%	0.00%	Flat rate £770

#### **SCS Special Bonus**

SCS are eligible to receive a maximum individual payment of £5,000. For 2020-21, bonuses of £1,500 and £3,000 were awarded. Should an employee also receive an end of year performance bonus, then the amount received in-year will be deducted from the end of year total.

GPG Year	Mean	Median	Award
2021	-1.22%	0.00%	Flat rate of £1500 or £3000
2020	10.20%	0.00%	Flat rate £2000 or £4000
2019	0.00%	0.00%	Flat rate £2000 or £4000

#### **SCS NCPRP**

This is the end of year performance bonus for SCS. Staff receiving a "Top" performance grouping for the 2019-20 performance year received a bonus of either £6,450 (SCS1) or £9,700 (SCS2). GLD offsets end of year performance bonuses by any in year awards received, so that an SCS who has received an end of year award of £6,450 and an in year award of £3,000 would only receive a total of £3,450 as an end of year award.

Year	Mean	Median	SCS1	SCS2	SCS3
2021	-0.85%	0.00%	£6,450	£9,700	£9,700
2020	-13.29%	0.00%	£6,450	£12,000	£12,000
2019	0.00%	0.00%	£9,000	£12,000	£12,000



#### Proportion of males and females paid a bonus

GLD has 1,708 female relevant employees, of these 1,265 received a bonus, which is a proportion of 74.06%. GLD has 912 male relevant employees, of these 677 received a bonus, which is a proportion of 74.23%. Whilst this is a slight reduction on the proportion of bonuses awarded to men and women in 2020, the gap between genders remains marginal.

Quartile	Female	Male
2021	74.06%	74.23%
2020	74.56%	77.41%
2019	67.45%	67.38%

## **Actions**

The Civil Service is a modern and diverse workplace, committed to promoting and ensuring equality and valuing diversity. We want the Civil Service to reflect the diversity of the communities we serve. The Civil Service is at its best when it reflects the diversity of the country as a whole and is able to understand what the public needs. Whilst GLD has a negligible gender pay gap in relation to ordinary pay, we recognise the importance of existing initiatives and seek to continuously improve the diversity of our workforce. Our current initiatives include:

**Bonuses:** In February 2020, changes were introduced to the special bonus scheme including limiting awards to specific values (£50 or £100 vouchers or cash awards of £250 or £500). Revised guidance which contained examples that illustrate consideration of protected characteristics and valuing diversity and inclusion was also distributed. GLD HR will continue to work with managers to guide them in monitoring their application of the scheme from an equalities perspective and in investigating any potential bias in the distribution.

**Reward:** GLD's reward strategy includes equality as a key priority. We monitor the impact of the annual pay review to ensure that, where possible, gender pay differences are addressed.

**Flexible working:** GLD recognises the importance of flexible working in enabling employees to balance family commitments with work. In particular, flexible working can help to reduce the gender pay gap in GLD by enabling more women to move into senior roles. Our policy is to look favourably on flexible working arrangement requests at all levels of the organisation provided that the needs and objectives of both the organisation and the employee can be met. We offer a wide range of options including reduced hours, compressed hours, job share, flexi time, working from home and annualised hours. From October 2020, GLD offers carers up to 5 days paid special leave per rolling 12 month period in order to support them in managing their caring responsibilities whilst continue to being engaged in their work.



**Recruitment practices**: GLD seeks to recruit a diverse workforce. We use non-discriminatory job descriptions, analytical job evaluation and name blind recruitment practices to eliminate potential bias in the recruitment process. All interview panel members undertake mandatory Success Profiles training along with compliance training to ensure consistency and fairness throughout the recruitment process. Since 2018, GLD has used the new Civil Service-wide Success Profiles recruitment framework which is a more flexible, inclusive and holistic selection approach than the previous competency framework.

From February 2021, GLD has introduced a new policy aimed at ensuring the department's recruitment practices are more inclusive. GLD now requires all interview panels to include at least one person who is from an ethnic minority background and/or has a disability, whilst maintaining a gender mix. In addition, GLD is identifying ways in which we can demonstrate our commitment to attracting and promoting diverse, talent regardless of protected characteristic. GLD has an increasingly prominent presence on social media channels such as Twitter and LinkedIn, and we continue to have a micro-site for external lawyer recruitment and a bespoke Glassdoor page for attraction and retention purposes.

**Performance Management:** In September 2020, GLD implemented its new Performance Management Policy, removing mid-year and end-of-year reviews and performance descriptors along with a renewed emphasis on high quality conversations between individuals and their line manager. With the removal of end-of-year reviews and performance descriptors, all reward and recognition will take place through in-year bonuses, regularly monitored (including from a diversity angle) by the senior leaders in divisional quarterly sense check meetings.

Career Paths: GLD offers a number of leadership and development programmes supporting people into roles that provide access to the right opportunities, exposure, stretch and development to reach their potential. These include: Future Leaders Scheme, Crossing Thresholds, Civil Service Fast Stream and Apprenticeships. In 2021 the Beyond Boundaries talent programme replaced Positive Action Pathways. This programme is designed to help participants develop the knowledge, skills and networks required to build a satisfying and effective career in the Civil Service. For SCS we have the Senior Leaders Scheme, and the High Potential Development Scheme. GLD's aim is to help tackle the under-representation of certain groups in senior management positions.

In May 2020, GLD introduced a new mentoring portal as part of its commitment to Talent and Succession Management. In November 2020, GLD also introduced the Stephen Amos Mentoring Scheme, aligned with GLD's Diversity and Inclusion Delivery plan 2020-2021. Colleagues with a disability and/or from an ethnic minority background, up to Grade 6 (mentees/reverse mentors), are matched with a colleague who is at least one grade above them (mentors/reverse mentees). The aim of the scheme is to empower colleagues with a disability and/or from an ethnic minority background to have mutually beneficial relationships in which skills and development goals can be achieved.



**Diversity**: Our Diversity and Inclusion Strategy (2019-2022) has three objectives, which have been aligned with our work on the gender pay gap: To continue to attract people from under-represented groups; to develop inclusive leaders who are equipped with the skills, confidence and behaviours to build positive relationships with staff that enables everyone to thrive; and to take action to ensure that our culture is inclusive, supportive and respectful.

We have thirteen active employee networks including Gender Equality, Flexible Working, Carers, and Parents. Each network has a diversity champion at director level who support the director general Senior Diversity Champion, Mel Nebhrajani. Their role is to promote the work of the diversity networks and provide challenge and support for the organisation in reaching its diversity aims. The networks provide a forum to discuss, and provide mutual support, for those with a common interest and are available to all employees within GLD.

With these initiatives in place, there is still more to do. We will continue to raise awareness, highlight barriers and influence actions that can help further reduce these gaps across the department.

## **Declaration**

The data reported by Government Legal Department 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.