



Department
for Work &
Pensions

Gender Pay Gap

Report for the year 2023



Contents

Executive Summary	3
Introduction	4
Gender pay gap report	6
Analysis of pay gap	9
Analysis of the bonus gap	13
Targeted action to reduce and close the Gender Pay Gap	15
Declaration	18

Executive Summary

The Department for Work and Pensions (DWP) has prepared this report as part of the legal requirement for public authorities to publish their Gender Pay Gap (GPG) on an annual basis.

In March 2023:

- DWP's mean ordinary GPG: 5.5% (decreased by 0.4 percentage points (ppt) since 2022)
- DWP's median ordinary GPG: 0.0% (unchanged since 2022)
- DWP's mean bonus GPG: 11.9% (decreased by 2.8 ppt since 2022)
- DWP's median bonus GPG: 10.1% (decreased by 4.7 ppt since 2022)

DWP is one of the largest government departments with a total headcount of 85,838 as of 31 March 2023. In this year's report, 84,553 individuals are included in the ordinary pay gap figures and 85,838 individuals are included in the bonus gap figures, as per the Government guidance on scope.

There is a positive story for DWP this year, with many of the headline figures improving:

- The DWP continues to perform favourably when compared to the wider Civil Service, where the overall ordinary mean GPG is 8.1%.
- We also compare favourably with the mean bonus GPG for the Civil Service of 23.5%, and the median bonus GPG of 25.4%.

Women represent 64% of the DWP workforce and we have continued to make positive progress in increasing women that are represented at the most senior grades. At SCS1 and SCS3, we continue to have over 50% of roles filled by women, and the pay gap for our more senior grades has been reduced compared to March 2022.

Mean ordinary GPG (decreased by 0.4 ppt) - Our mean gender pay gap has decreased due to changes in our grade distribution, women represented within each grade and changes to mean salaries due to pay awards, as well as joiners and leavers.

Median ordinary GPG (unchanged) - The median pay gap remains at 0.0%. This is primarily due to the existence of an Executive Officer grade spot rate (rather than a pay scale with a minimum and maximum rate of pay per grade and pay zone, a spot rate means that everyone within the same grade and pay zone is on the same rate of pay). Of the whole DWP population, as of March 2023, 48% of men and 52% of women were at EO grade and most were on the spot rate, as a result the median employee fell within the EO range for both genders.

Mean and Median Bonus GPG (decreased by 2.8 ppt and 4.7 ppt respectively) -

There has been a notable decrease in the mean bonus pay gap and median bonus pay gap, mainly due to an improvement to our end of year only bonus gap in delegated grades.

Overall, we are confident that our pay strategy is non-discriminatory in its design. Our analysis demonstrates the pay gap to be largely attributed to the grade distribution of the workforce, specifically lower representation of women in higher grades. The GPG will continue to be a key consideration as we develop our future reward strategy.

Introduction

Since 2017, the government introduced legislation requiring 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 relevant organisations to publish their gender pay gap annually. This includes:

- the mean and median ordinary gender pay gaps
- the mean and median gender bonus gaps
- the proportion of men and women who received bonuses
- the proportions of male and female employees in each pay quartile

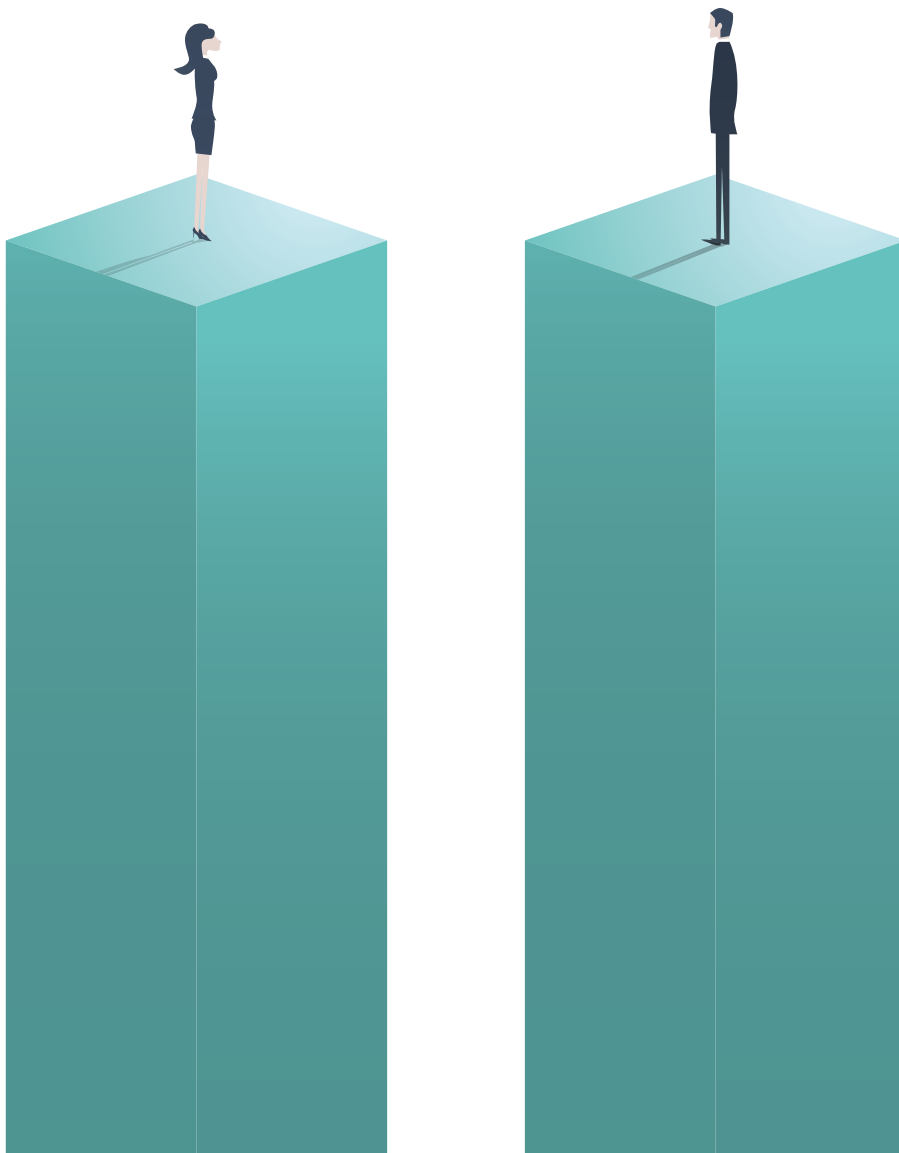
For 2022/23, the Gender Pay Gap figures were published in the Annual Civil Service Employment Survey (ACSES) on 2 August 2023. These figures provide an overall picture across government for the reporting period 1st April 2022 to 31st March 2023. This report fulfils DWP's reporting requirements and sets out the actions we are taking in relation to addressing the gender pay gap and improving gender parity. This information is published on gov.uk and the Government Equality Office (GEO) portal. Where any percentage figures in this report do not add to 100%, this is due to rounding.

DWP is committed to the fair treatment and reward of all staff irrespective of gender, and ensuring the department is an inclusive place where people can be at their best. Our goal is to ensure that these commitments, reinforced by our Values, are embedded in day to day working practices with all of our customers, colleagues and partners. As an employer, DWP is committed to the Civil Service ambition to have a truly diverse workforce which is representative of the communities that we serve. Our Diversity and Inclusion objectives are aligned with the [Civil Service Diversity and Inclusion Strategy: 2022 to 2025](#) (GOV.UK).

We continue to set ourselves challenging objectives around ensuring that we have a diverse workforce which, in relation to gender, include growing and supporting our internal pipeline of women progressing through the grades, monitoring recruitment outcomes at each grade and each stage of the recruitment process and maintaining gender parity in our Senior Civil Service (SCS) workforce.

DWP's total headcount (staff in post) on the 31 March 2023 was 85,838 employees; this represents all paid and unpaid employees. Of this number, 84,553 employees were identified as 'full pay relevant employees', as set out in the regulations, and included in the GPG calculations for the mean and median ordinary pay gap.

DWP uses the Civil Service grading system. DWP's Delegated Grades are Administrative Assistant (AA), Administrative Officer (AO), Executive Officer (EO), Higher Executive Officer (HEO), Senior Executive Officer (SEO), Grade 7, Grade 6. DWP's Senior Civil Service (SCS) grades are SCS1, SCS2, SCS3, and Permanent Secretary. Grades are determined by the level of responsibility that employees have in their job roles. Except for SCS, each grade has a set national, and two London pay ranges (with some other location-based pay differences), with higher grades receiving higher salaries.



Gender pay gap report

The ordinary mean and median GPG shows the difference between the average hourly pay for all men and women in a workforce. If a workforce has a particularly large gender pay gap, this can be an indication of issues to address, and the individual GPG calculations (mean and median ordinary and bonus pay gaps) may help to identify what those issues are. GPG is different from equal pay. Equal pay deals with the pay differences between men and women who conduct 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.

To ensure a consistent methodology over time and across government, each full-pay relevant employee’s hourly rate of pay has been determined using full-time equivalent salaries and contracted weekly hours. Permanent and pensionable allowances, non-consolidated performance payments, and salary sacrifice deductions are all incorporated.

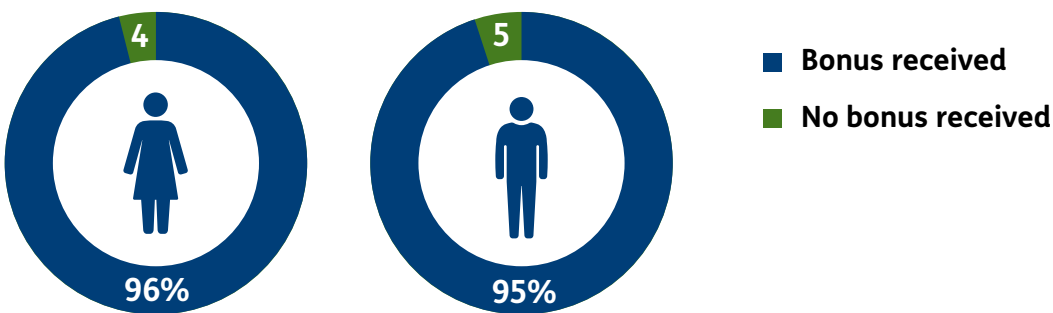
DWP’s 2023 GPG figures – Pay and Bonus gaps

(calculated as per Statutory guidance)

Ordinary Pay gap		Bonus gap	
Mean	Median	Mean	Median
5.5%	0.0%	11.9%	10.1%

The overall mean and median hourly difference in pay is £0.88 and £0.00 respectively.

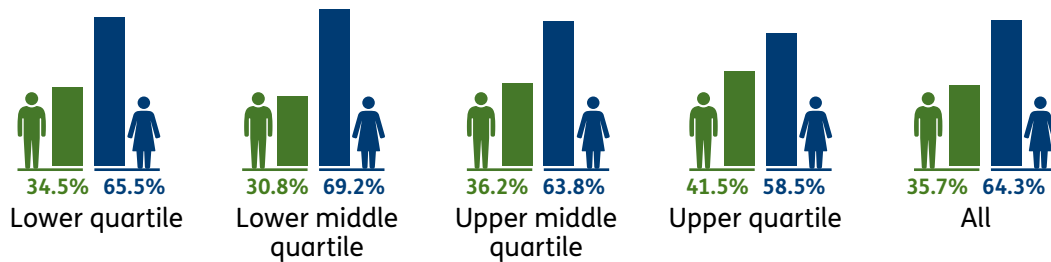
Percentage of men and women receiving a bonus in 2023



DWP award both ‘in year’ and ‘end of year’ non-consolidated bonuses. In the financial year 2022 to 2023, to be eligible for DWP’s end of year non-consolidated award, employees had to:

- be in post on both 31 March 2022 and 1 July 2022
- not be undergoing formal poor performance action and; have 60 days’ actual performance within the performance year (exceptions to this are where the absence is due to maternity, paternity, adoption or disability related sickness absence).

Distribution of women through each pay quartile (AA to SCS)



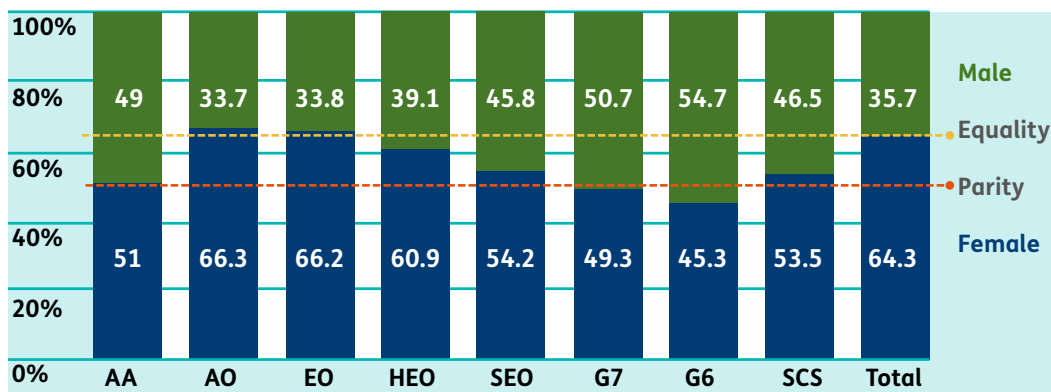
The lower and upper middle quartiles approximately map with the gender composition of the department (64% women and 36% men). Women, however, are over-represented in the lower middle quartile – accounting for almost 70% of the staff in that bracket, and slightly underrepresented in the upper quartile where they make up less than 60% of individuals in that grade.

Workforce analysis

DWP still has proportionally more men than women at Grade 6 and 7, there is further work to be done in reaching gender parity (50:50) or equality (64:36). In March 2022, 47% of Grade 6s and 7s were women, compared to 48% in March 2023, broadly stable from year to year.

The graph below shows how the representation of men and women differs at each grade and how this compares with parity (50:50) and equality (64:36).

Gender Composition of Workforce by Grade



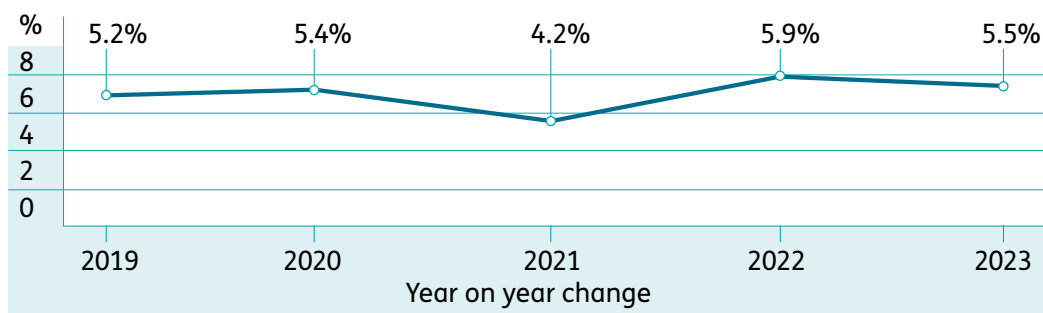
The composition of DWP's workforce is constituted of significantly more women (64.3%) than men (35.7%) employees. At Grades 7 and 6, women account for less than 50%.

Grade (decreasing seniority)	Number of men (% of total male workforce)	Number of women (% of total female workforce)	% of women in the grade
SCS	131 (0.4%)	151 (0.3%)	53.5%
Grade 6/7	1,984 (6.5%)	1,846 (3.4%)	48.2%
SEO/HEO	5,117 (16.9%)	7,309 (13.4%)	58.8%
EO	14,471 (47.7%)	28,372 (52%)	66.2%
AA/AO	8,659 (28.5%)	16,904 (30.9%)	66.1%
Total	30,362 (100%)	54,582 (100%)	64.3%

Women are more likely than men to fulfil roles in grades AA, AO and EO, whilst men are more likely to be in positions at every grade from HEO and above. Women are under-represented at higher grades, and slightly over-represented at lower grades. Over 80% of all women in the workforce occupy grades AA to EO, compared to 76% of men. Men are almost twice as likely to fulfil Grade 6 and 7 positions than women, this plays a significant role in driving the ordinary mean gender pay gap.

Analysis of pay gap

Ordinary Mean Pay Gap



The primary reason for the existence of DWP’s mean pay gap is as a result of the different proportions of men and women in different grades.

With regards to the change in our gap this year, aside from joiners and leavers this mainly is as a result of:

- changes to mean salaries due to pay awards, and changes in SCS Quartiles having a positive impact; and
- changes to grade distribution and workforce structure changes having a negative impact

Delegated Pay Award 2022 Impact

The 2022 DWP delegated pay award focused on lifting pay band minimums and shortening the length of pay scales (this means reducing the difference between the highest and lowest potential salaries within each band). Methods to achieve this included continuing to emphasise movement towards spot rates (including lifting pay band minimums for Employee Deal staff at HEO and below); and shortening pay bands at SEO and Grade 6 to address ‘leapfrogging’ (where a colleague near to the maximum of their pay band is promoted to a higher starting salary than someone who has been in the upper grade for a longer period). Both methods have contributed towards reducing the gender discrepancy in mean salaries within these grades and therefore on the overall ordinary mean pay gap.

Senior Civil Servants

As of September 2023, of the 9 individuals that make up DWP’s current Executive Team (SCS3), excluding the Permanent Secretary, 7 are women including a job-share. Compared to 2021/22, there is a greater proportion of women in the upper quartile of the SCS1 pay band, and a lower proportion of women within the lower quartile of the SCS2 pay band, which has positively impacted the ordinary mean gap. The SCS only mean ordinary pay gap has decreased by 2.7ppt.

Workforce Structure Changes

The mean GPG is affected by changes to the proportion of men and women staff in higher grades. Between 2021 and 2022 the percentage of men in grades SEO to SCS increased by 2.4ppt, and the proportion of women in these grades increased by only 1ppt (a difference of 1.3ppt between gender proportion changes).

This year, the proportion of women in grades SEO to SCS increased by 1.3ppt from 6.2% at 2022 to 7.5% at 2023, and proportion of men in these grades increased by 1.5ppt, from 11.3% to 12.8%. This is a difference of only 0.2 ppt between gender proportion changes.

This means that not only are still more men than women in these grades, but this disparity is still increasing. However, this widening of the difference is smaller in comparison to previous years, and the smaller divergence this year has limited the upward pressure on our GPG for 2023.

Proportion of DWP women and men in grades HEO and below

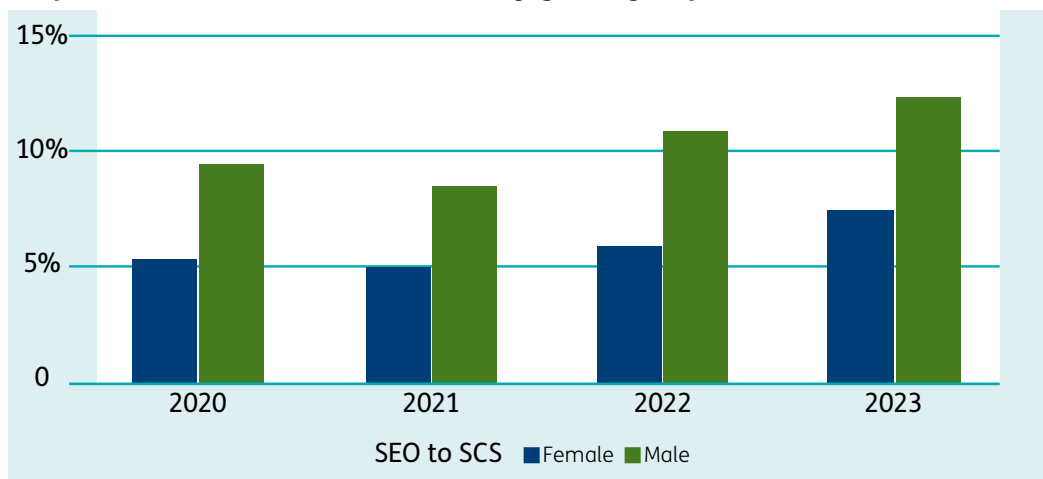
	% of all DWP females in grades HEO & below	% of all DWP males in grades HEO & below
2023	92.5% (decreased by 1.3 ppt) ▼	87.2% (decreased by 1.5 ppt) ▼
2022	93.8%	88.7%
2021	94.8%	91.1%

Proportion of DWP women and men in grades SEO and above

	% of all DWP females in grades SEO & above	% of all DWP males in grades SEO & above
2023	7.5% (increased by 1.3 ppt) ▲	12.8% (increased by 1.5 ppt) ▲
2022	6.2%	11.3%
2021	5.2%	8.9%

The graph below represents the table above, to show DWP gradually increasing the proportion of the workforce at higher grades, and outlines that whilst the trend applies to both genders, typically the increase has been faster for men.

Proportion of DWP women and men by grade group, 2020 to 2023



Gender Pay Gap by Grade Grouping

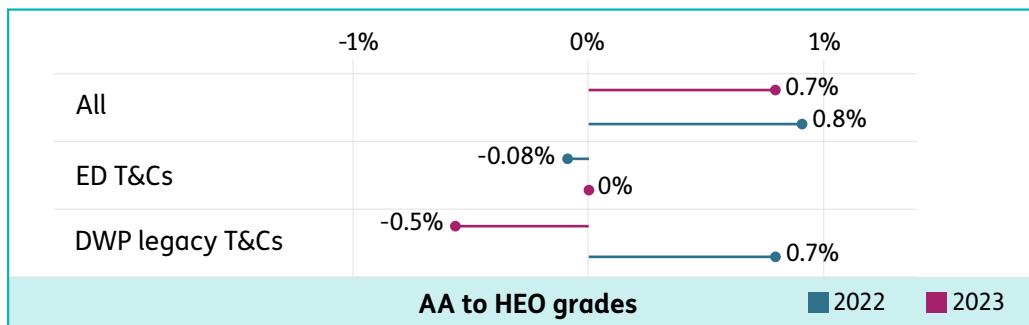
As the proportion of staff at higher grades increases, they move into grades with longer pay ranges (rather than spot rates). This means that there is a greater potential difference in the rates of pay paid to men and women. This in turn can increase the mean GPG, this is reflected below where our grades with longer pay bands (SEO to G6) have a wider gap.

	Grades			
	AA to SCS	AA to HEO	SEO to Grade 6	SCS
2023 Mean Pay Gap	5.5%	0.7%	5.2%	4.7%
2022 Mean Pay Gap	5.9%	0.8%	7.3%	7.4%
% Change in ppt	-0.4	-0.1	-2.1	-2.7

In isolation, the increasing gap between the proportion of women and men in higher grades would likely lead to an increase in the GPG. However, this potential negative shift was more than offset by the combination of shortening pay scales and a greater proportion of SCS women being in the upper quartile of the SCS1 pay band, when compared to 2022.

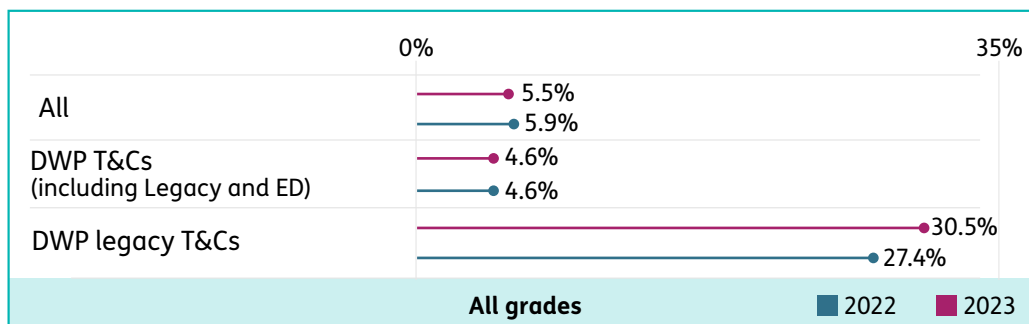
Impact of different Terms and Conditions

Previously, differences in DWP Terms and Conditions have affected our gender pay gap, particularly where employees voluntarily remained on legacy terms and conditions (and rates of pay), following the introduction of the Employee Deal (ED) Collective Agreement (and rates of pay) in 2016. The pay element of ED covered a contractual period of four years ending in July 2019 and offered higher rates of pay to operational grades (AA to HEO). Some of the main reward aims of ED were to reduce the length of our pay scales and move towards spot rates. Those who opted out remained on legacy terms and conditions and are not covered by these ED spot rates. We have analysed the mean GPG for colleagues on DWP's ED terms and conditions (T&Cs), compared with the mean GPG for employees that remain on DWP's legacy T&Cs, this has a very limited impact on the overall gap.



We have also considered the impact of including employees on protected T&Cs retained from their previous organisations, to understand how this impacts the overall picture. The TUPE only pay gap is significantly higher than the DWP T&C only pay gap.

Whilst some employees remaining on DWP's legacy pay agreements does not substantially affect the department's GPG, employees retaining pay agreements from previous departments does materially negatively impact the GPG.



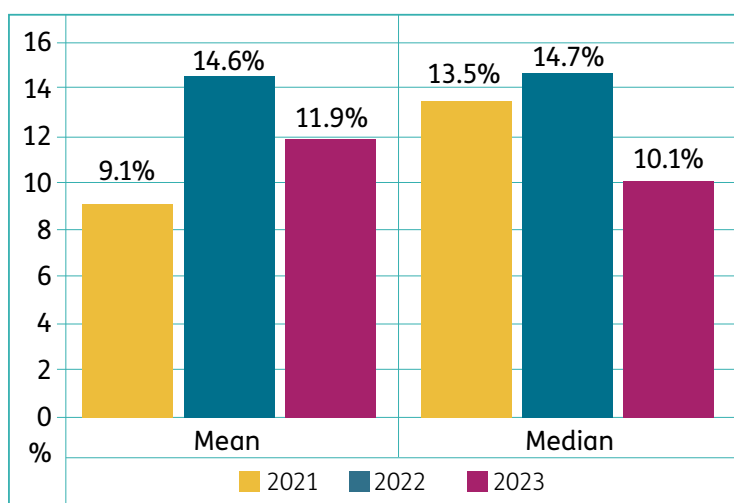
Ordinary Median Pay Gap

Median ordinary GPG (unchanged) - The median pay gap remains at 0%. This is primarily due to the existence of an EO spot rate. Of the whole DWP population as of March 2023, 48% of men and 52% of women were at EO grade and most were on the spot rate. This means the median for both genders fell within the EO range, resulting in a zero gap.

Analysis of the bonus gap

DWP continues to make both in-year and end-of-year performance awards. The significant majority of DWP's performance bonus awards were paid as end-of-year awards and were pro-rated for part-time employees. Unlike the ordinary pay gap, in the calculation of the bonus pay gap, these pro-rated payments are not converted into full-time equivalents, in line with calculation requirements. End-of-year awards are paid at set values by grade.

Mean and median bonus pay gap



End of Year – Delegated

In the July DWP 2022 pay award, whilst colleagues at SEO and above received a £200 (pro rata) end of year award, and EO and HEO colleagues received £145 (pro rata), a large proportion of AO and all AA colleagues received £210 due to DWP awarding an additional £65 to our lowest paid employees. This had a positive impact on the bonus gaps, as a higher proportion of AOs and AAs are women. The median end of year only bonus gap is now 0.0% compared to 10.9% in 2022, and the mean figure is now 9.9% compared to 14.5% last year.

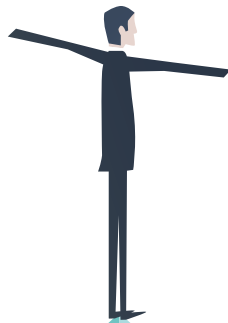
As is common standard practice across many organisations, DWP's non-consolidated bonus end-of-year payments are pro-rated in accordance with the number of hours worked by each employee (and for length of service within the Performance year). Within DWP as of 31st March 2023, 47% of women worked part time compared to 15% of men. As a result, women appear to receive disproportionately lower bonuses than men, but this is largely attributable to a higher proportion of women working part-time, which accounts for a significant proportion of the 11.9% mean bonus pay gap. The calculation for the bonus pay gap, which uses actual values received rather than full time equivalent values, means we will have a bonus pay gap which will fluctuate according to the number of part-time employees, most of whom (85%) are women.

In Year – Delegated

In-year recognition payments include both cash payments and vouchers (which are not pro-rated). This year we have seen an increase to our in-year only bonus gaps for delegated grades. This increase applied to both vouchers and cash awards but was more significant for cash in-year awards. Whilst the proportions of men and women receiving an in-year award was relatively similar, the mean value for men was higher.

Senior Civil Servants

Both in year and end of year awards non-consolidated for SCS employees have an impact on the bonus gaps. Between March 2021 and March 2022, the average non-consolidated award for men was higher than the average award for women. This is still the case, but the gap has reduced slightly in the latest reporting period. Analysis suggests it is predominantly the higher number of in year awards made to women (of a lower value than end of year) that results in a lower mean average overall when all bonus payments are combined (end-year and in-year), but differences on a like for like basis were much smaller.



Targeted action to reduce and close the Gender Pay Gap

DWP is committed to continuing to improve its GPG. We have a range of initiatives and programmes to ensure that the DWP talent pipeline is strong and that we sustain gender parity at senior levels through 2025 and beyond.

1. Recruitment, retention and developing a diverse workforce

- DWP recognises that our recruitment and retention practices are pivotal to eliminating the GPG and enabling us to ensure we have a strong and diverse talent pipeline in our organisation. There has been an increase of 14.5 percentage points in women in SCS positions in the last five years, from 39.2% in 2017 to 53.7% at March 2023. Our recruitment policies and selection guidance maintain the following as standard:
- All recruitment is external by default unless there is a strong rationale for not doing so. From 1 April 22 to 31 March 23, 93% of all campaigns were advertised externally, 6% were advertised across Government and only 1% were advertised internally in DWP.
- Implementation of 'name-anonymised' recruitment. This supports diversity in the workforce by helping to create a more level playing field in the assessment process.
- Selection panels across all grades must have diverse representation across a range of characteristics including gender.
- Developed and launched a 'Questions in Advance' interview approach to reduce barriers that could benefit candidates who have had time out of the workplace or have lower confidence levels in a traditional interview situation.
- Targeted work on addressing the gender balance during attraction and recruitment is also being undertaken. This includes use of inclusive language in job adverts and inclusive language in all communications; and monitoring the pipeline into SCS with 6-monthly reviews of recruitment campaigns to understand where under-represented groups fall out of the process.

2. Progression and building a diverse talent pipeline

Colleagues at all grades have access to a range of staff networks to support their career and progression, including:

- The introduction of ‘shadow board’ opportunities for colleagues to inform and influence senior decision-making and increase individual’s exposure and experience.
- Active sponsorship and mentoring to increase visibility and advocacy and support development needs.
- DWP have a Director General Gender Diversity Champion, who chairs bi-monthly Gender Steering Group meetings to identify and address gender representation and inclusion barriers. A range of ongoing actions and initiatives are in place, which includes:
 - Review and update of the Gender Strategy and Action Plan;
 - Crossing Thresholds 12-month sponsorship scheme for 24 women across DWP (cohort started May 2022 – July 2023)
 - Women’s Network have launched a several L&D development events;
 - Since July 2021, 962 women registered and participated in at least one of the DOD’s Leadership events, Women into Leadership, Ethnic Minorities into Leadership and Unlocking SCS.
 - Launched the new DWP Men’s Network which is working in collaboration with the DWP Women’s Network;
 - Piloting the use of diverse jobs boards such as Vercida and WMpeople including [workingmums.co.uk](https://www.workingmums.co.uk) to promote opportunities to under-represented groups and develop DWP’s employee brand as an inclusive employer and [workingwise.co.uk](https://www.workingwise.co.uk) aimed at attracting talented career returners seeking to re-enter the labour market.
 - Actively promoting participation in DWP and cross-government talent and leadership development programmes including Beyond Boundaries Programme, Future Leaders Scheme (FLS); Leaders Like You and Senior Leaders Scheme (SLS). We monitor the diversity of all applicants throughout each stage of the application processes.
 - Developing a DWP Emerging Talent Strategy to develop a strong and diverse talent pipeline.
 - Data capture and evaluation of programmes using feedback from participants.

3. Reward Strategy

DWP is committed to a reward strategy that is inclusive, and we have taken steps to reduce pay disparity within our organisation:

- DWP announced its 2022 Pay Award in July 2022. As part of this pay award, we have been able to make greater progress towards spot rates for AA-HEO Employee Deal grades. All AA and AO employees are now on a spot rate. We have also reduced the length of our SEO and Grade 6 pay scales with higher increases to the pay scale minimum.
- DWP received approval earlier this year to re-offer Employee Deal Terms and Conditions and associated rates of pay. An initial exercise took place in early 2022, and employees are now able to join Employee Deal Terms and Conditions on an ongoing basis. This should impact positively on our GPG as more individuals move towards a spot rate, reducing differentials between the rates of pay.

In DWP's 2023 award, individuals on protected terms and conditions did not receive a pay award if their salary was already above the new DWP band minimum. As individuals on higher protected salaries does impact on our mean ordinary GPG, the decision not to further increase the existing differences in pay should limit the increase to our pay gap.

4. Career Paths

We have a range of ongoing actions and initiatives in place, which includes:

- Colleagues at all grades have access to staff networks to support them throughout their careers and progression.
- Shadow Board opportunities for colleagues to inform and influence senior decision-making and increase individuals' exposure and experience.
- Active sponsorship and mentoring to increase visibility and advocacy and support development needs.

5. Promoting a Family Friendly DWP

We at DWP actively promote:

- Flexible, hybrid working, job-sharing, and part-time working to support employees with caring responsibilities and encourage a good work-life balance. Awareness and support of those with caring responsibilities is embedded into all our HR policies and our commitment to this is strengthened by DWP's membership to the Employers for Carers forum.
- Shared Parental Leave (SPL), to provide parents with more flexibility in how to share time off work after their child is born or placed for adoption, we encourage and support a shared parental leave policy that exceeds statutory provisions throughout the department.

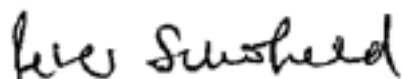
Declaration

We confirm that data reported by DWP 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.



Helen Pickles

People Capability and Place Director General



Peter Schofield

DWP Permanent Secretary



Department
for Work &
Pensions

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