



Department for  
Business, Energy  
& Industrial Strategy

# BEIS GENDER PAY GAP REPORT

Report for the year 2018

December 2018



**OGL**

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## Background

The Department for Business, Energy and Industrial Strategy (BEIS) 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 relevant organisations to publish their gender pay gap 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 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.

BEIS supports the fair treatment and reward of all staff irrespective of gender. In October 2017 the new [Civil Service Diversity and Inclusion Strategy](#) was published. This important document sets out new programmes and initiatives to realise our ambition to become the UK's most inclusive employer by 2020. The Civil Service, including BEIS, wants to create a diverse and representative workplace – one that will attract talented people from all backgrounds, and give everyone, including those already working for us, the opportunity to achieve their potential. We also want to ensure that we reach our vision of 'an economy that works for everyone', at the same time as being a great place to work.

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 the organisation.

## Organisational context

We are looking to create a culture and way of working which is truly and actively inclusive of everyone. We want to make sure our decisions, internal and external processes and policies take D&I into account from the earliest of stages.

Our ambition is to become a role model for business and the Civil Service; taking individual and collective action to ensure effective outcomes for everyone in the UK and make BEIS a great place to work for our colleagues and for ourselves.

## The data – BEIS and the Executive Agencies

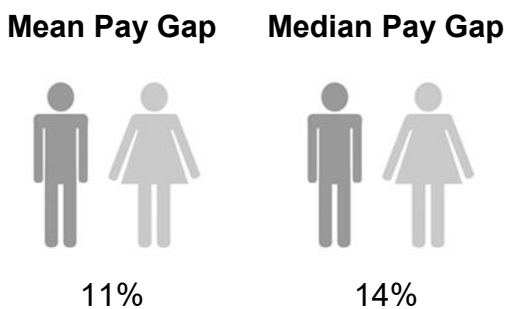
The Gender Pay Gap regulations require BEIS to include its five Executive Agencies in the published figures as they are not separate legal entities. The data published on GOV.UK therefore includes Core BEIS, Companies House, the Insolvency Service, the Intellectual Property Office, the Met Office, and the UK Space Agency.

This report provides our gender pay gap, using the Government Equalities Office methodology, on the snapshot date of 31 March 2018. For bonuses, we used the period of 1 April 2017 to 31 March 2018, which was the 12 months preceding the snapshot date.

### Gender make-up of the organisation

The gender make-up of the department and its Executive Agencies is **46% female** and **54% male**.

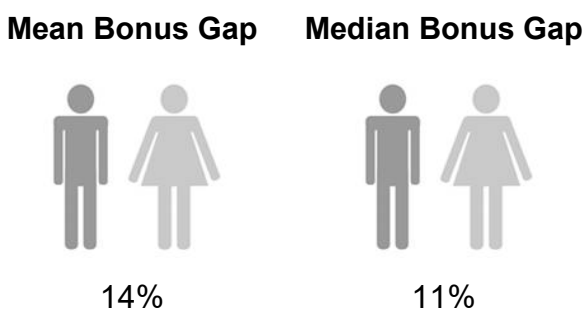
The Gender Pay Gap for BEIS including Executive Agencies is a **mean gap of 11%** and a **median gap of 14%**. This is lower than the **median gap (17.9%)** in 2018 across the whole economy as reported by the ONS.



This is an improvement compared to last year when we reported a mean gap of 12% and a median gap of 15%.

### Bonus pay

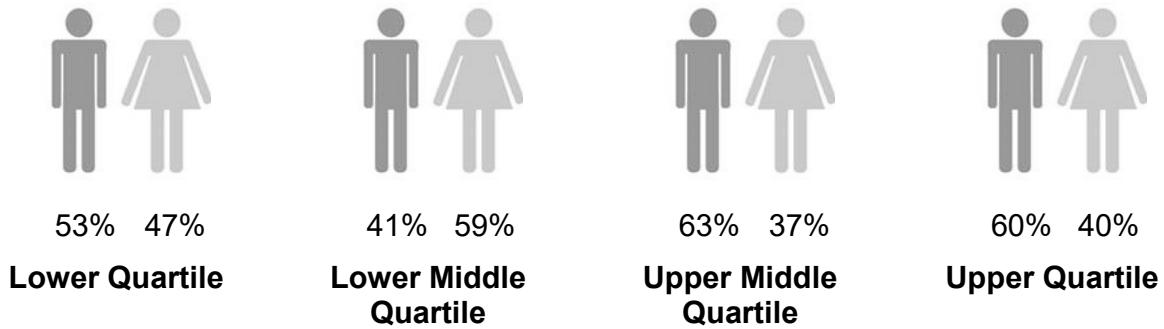
The Gender Bonus Gap for BEIS including Executive Agencies is a **mean gap of 14%** and a **median gap of 11%**.



Last year, we reported a mean gap of 12% and a median gap of 15%.

## Pay by quartiles

The combined quartiles for BEIS including Executive Agencies is shown below.



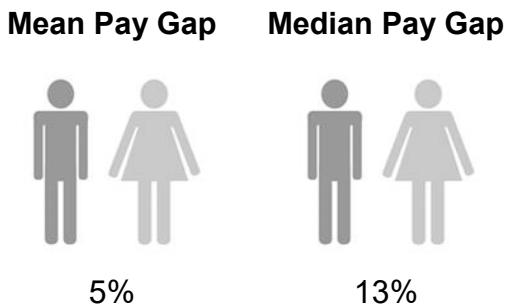
There has been a significant reduction in the proportion of women in the lower quartile since last year (60% to 47%) and a similar rise in the proportion in the lower middle (46% to 59%). This has been partly offset, but not outweighed, by the increase in men in the upper middle (60% to 63%). There was a small decline in the proportion of men in the upper quartile (61% to 60%).

The full set of data for BEIS and the Executive Agencies is at [Annex A](#).

## The data – Core BEIS

In order to understand the picture in more detail, this section of the report provides a focus on **Core BEIS only** and excludes the Executive Agencies within the BEIS family. Core BEIS has asked each Executive Agency to consider their own pay gap figures in more detail and to work with the department on a plan of action on gender pay within each agency. We will encourage our Executive Agencies to publish information on how they are acting to reduce gender pay gaps.

### Core BEIS gender pay gap

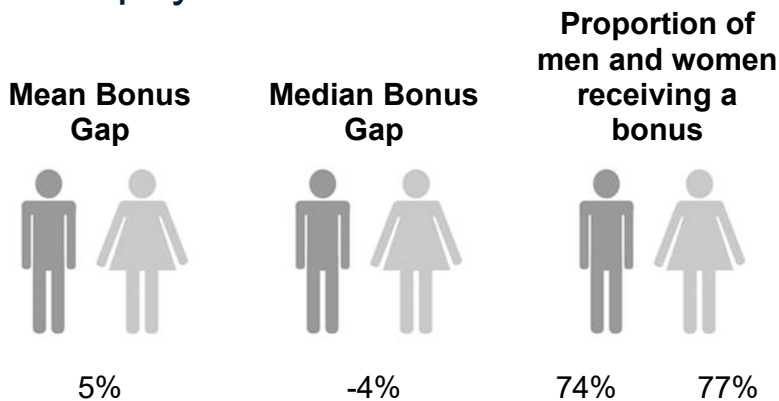


The gender pay gap figures for Core BEIS are a **mean gap of 5%** and a **median gap of 13%**.

This is a significant improvement on last year when we reported a mean gap of 9% and a median gap of 15%.

When pay is compared by grade, the gap reduces further.

### Bonus pay



The bonus gap shows that there is a gap in favour of women using the median average but a gap in favour of men of 5% when using the mean. Women were also more likely to receive a bonus than men. The difference in figures between the mean and the median will be driven by the differing sizes of bonuses available to those in the SCS compared to other grades and the larger proportion of men in the SCS in the department.

Last year, we reported a mean gap of 3% and a median gap of 0%.

The full set of figures for Core BEIS and further analysis are set out in [Annex B](#).

Additional tables showing difference since last year can be found in [Annex C](#).

## Closing the gender pay gap

According to our analysis the difference in grade distribution between males and females is likely to be the main driver of the overall BEIS GPG. BEIS is committed to continuing to reduce the overall gap and this is demonstrated through the following initiatives.

### Our processes: recruitment, retaining and developing a diverse workforce

At BEIS, we abide with the Recruitment Principles of fair and open competition with candidates selection based on merit. We are accountable to the Civil Service Commission. To ensure fairness we use the following methods:

- Mandatory mixed gender sift and interview panels.
- Blind Sifting: where all identifiable characteristics are removed.
- Use of specialist recruitment channels, such as [VERCIDA](#), to advertise jobs at all levels and encourage a diverse pool of applicants.
- We have started a 12-month subscription with Working Mums, a jobs board that advertises part time and flexible working for parents, with a focus on mothers. Our subscription includes a profile page about BEIS and positive advertisement of our flexible working policies.
- Profile established on the [Civil Service careers website](#) that was checked for gender neutral tones and representation.
- Introduction of a new recruitment method (Success Profiles) which has gone through rigorous equality analysis.

The Success Profiles Framework moves recruitment away from using a purely competency-based system of assessment. It introduces a more flexible framework which assesses candidates against a range of elements using a variety of selection methods. This will give the best possible chance of finding the right person for the job, driving up performance and improving diversity and inclusion. The elements that can be assessed to find the best candidate for the role are: strengths, behaviours, technical, experience and ability.

Early indicators suggest this has had a positive impact on gender outcomes.

- We have held focus groups and workshops investigating how we can embed D&I strategies throughout our recruitment processes.
- Advertise all jobs as available for flexible working, full-time, job share or part time unless this is a very strong business case not to.

We are also working on:

- We are in the process of acquiring an augmented advert writing tool to be used for all our adverts that improves diversity outcomes, gender tones and attraction. This will ensure we run a full equality assessment of all job adverts.
- Exploring advertising BEIS jobs on women-focused job sites such as [mumsnet.com](#) and [wherewomenwork.com](#)



## Performance management

After an extensive consultation period and engagement with the organisation, we successfully implemented a new performance management approach in April 2018 which is intended to be better, simpler, fairer and more transparent. We worked with all important stakeholder groups, including discussing the approach with the trade unions and networks chairs, who were used as a sounding board whilst designing and shaping the new approach. The performance management approach sees a focus on good-quality conversations, with a real focus on development. Running alongside the new performance management approach is a new in-year reward system, and the two have allowed us to monitor diversity of outcomes on pay and performance more easily.

We are also looking at introducing technology, including Artificial Intelligence, to further improve the Performance Management and In-Year Award processes. These products will help us to gather and analyse real-time data on the diversity of those who are being nominated and who are nominating awards.

## Flexible working

BEIS offers family friendly policies including flexible working, maternity, paternity and parental leave. We also offer job share, term-time and part time working, reduced hours and compressed hours opportunities.

### Shared Parental Leave

The BEIS Shared parental leave policy was introduced in May 2017.

Shared parental leave provide parents with the opportunity to share the care of their baby/child in the first year following birth/adoption, while balancing their work and retaining their link to the labour market.

## Learning and development

The department offers a range of support and development opportunities for women, including a Women's Network and a Senior Women's Group which provides peer support and opportunities to influence the department's decision making. BEIS also already offers a number of central cross-government talent and positive action schemes, two of which are specifically aimed at women:

- Crossing Thresholds - a 12-month career mentoring programme for women to develop their career in a structured and supportive environment. The programme is aimed at AO-G6 staff and is delivered through facilitated modules, mentoring sessions, and peer support groups.
- Positive Action Pathways - a scheme for those in under-represented groups, aimed at women, and also minority ethnic, disabled, and lesbian, gay, bisexual, and transgender (LGBT) staff in all grades from AA to G6. The 1 year programme consists of development workshops, action learning sets, and on-the-job learning.

These programmes aim to overcome barriers and help women compete on equal footing for progression or other Civil Service talent schemes, e.g. the Future Leaders Scheme (FLS) and

Senior Leaders Scheme (SLS), which are accelerated development schemes for high potential G7s and G6s (FLS) and Deputy Directors (SLS).

BEIS promotes all cross-government talent schemes through the department's diversity networks, including the BEIS Women's Network's, to encourage those from under-represented groups to apply.

In addition in 2018 BEIS has also launched two internal leadership development programmes:

- Aspiring Leaders programme, aimed at HEOs and SEOs with the potential for progression but who have limited line management/leadership experience.
- Interdepartmental Talent Partnership, aimed at Grade 6/7s with the potential and aspiration to the senior civil service.

BEIS also has a comprehensive mentoring offer in place. This comprises:

- Mentoring for all with an online tool to help individuals search for a mentor and/or register to act as a mentor.
- Reverse mentoring. This form of mentoring is a joint HR and the Faith and Minority Ethnic (FAME) Network venture, where a person from an underrepresented group or background mentors a senior civil servant (SCS).
- Pairing for performance. This matches a member of the SCS with an upward mentor, who observes their senior partner as they undertake their work and then offers insights. The programme provides mutual benefits. Mentors gain feedback skills they can employ in many situations, and mentees receive tailored, high-quality feedback on how they act and present themselves. All grades up to G7 are eligible to participate as mentors, and SCS volunteers are welcome.

## Working with the D&I networks

The diversity networks have played an incredibly important role in helping to deliver D&I activity across BEIS. Since the department's formation, the networks have shared the desire to celebrate difference and to improve the working lives of our people. The support networks include: Age Network, Carers Network, Capability Action Network, Domestic Violence, EU Nationals Network, LGBT+ Network, Faith and Minority Ethnic, Multi-Faith, Parental Support Network, Part-Time Workers Network, Schools Outreach, Social Mobility Network, Volunteering Network, Wellbeing and Mental Health Group and Women's Network.

## Our inclusive culture

### Inclusive by Design Pledges

BEIS aims to embed D&I into all our key decisions on policy, procedure and process. Last year we asked all our directorates to make D&I pledges. They are a commitment to making diversity and inclusivity part of everything we do at BEIS – how we recruit, promote and retain staff, how we treat the people around us, and how we deliver what we do. The HR team is monitoring progress of the pledges and helping in making them a reality.

## Next steps

To inform our action plan for the GPG the D&I team reviewed the paper published by the Behavioural Insight Team (BIT) and the Government Equalities Office (GEO) as well as consulting with the BEIS GPG working group. As a result of our analysis we aim to improve our recruitment and talent policies and practices. We will monitor the outcomes through ongoing collaboration with the Women's Network.

We will:

- Analyse our recruitment and talent data to ensure we offer effective support and development opportunities for underrepresented groups
- Set up internal targets for women in SCS and G7/6 appointments. Equally we will aim to recruit more men into AO-EO roles
- Implement behavioural and cultural changes (through our Inclusive by Design Programme). The Inclusive by Design Programme is a key activity committed to by the BEIS Diversity and Inclusion (D&I) Strategy 2017-2020. The project aims to improve BEIS decision making processes, making it less prone to bias.

## Holding ourselves to account

We will analyse salary, talent and recruitment data to ensure we monitor the progress on reducing BEIS gender pay gap.

We believe the above actions will improve recruitment and progression of women and will help BEIS to reduce the gender pay gap.

## Declaration

We confirm that data reported by the Department for Business, Energy and Industrial Strategy 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.

**Director General Corporate Services:** Sarah Harrison

**BEIS Permanent Secretary:** Alex Chisholm

# Annexes

## Annex A – BEIS group figures (including Executive Agencies)

### Mandatory Gender Pay Gap Figures

#### Snapshot date

31/03/2018

#### Gender pay gap (in favour of men):

Pay gap / Bonus gap	%
Mean gender pay gap - Ordinary pay	11%
Median gender pay gap - Ordinary pay	14%
Mean gender pay gap - Bonus pay in the 12 months ending 31 March	14%
Median gender pay gap - Bonus pay in the 12 months ending 31 March	11%

#### The proportion of male and female employees paid a bonus in the 12 months ending 31 March:

Employees	%
Male	84%
Female	84%

#### Proportion of male and female employees in each quartile:

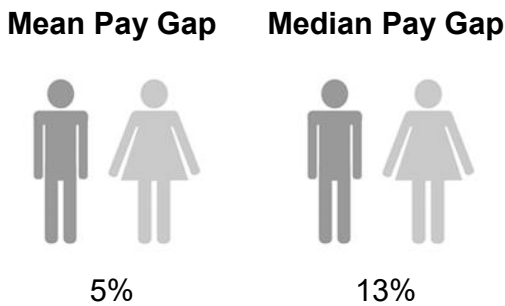
Quartile	Female %	Male %
Lower quartile	47%	53%
Lower middle quartile	59%	41%
Upper middle quartile	37%	63%
Upper quartile	40%	60%

\* There are no contractors paid via the Core BEIS payroll and therefore no contractor information was available for these calculations. We intend to review the way we store information for this group of individuals to enable their data to be included in future publications.

## Annex B – Core BEIS (excluding Executive Agencies)

In order to understand the picture in more detail, this annex to the report provides a focus on **Core BEIS only** and excludes the Executive Agencies within the BEIS family. As stated in the main report, Core BEIS has asked each Executive Agency to consider their own pay gap figures in more detail and to work with the department on a plan of action on gender pay within each agency. We will encourage our Executive Agencies to publish information on how they are acting to reduce gender pay gaps.

### Core BEIS gender pay gap

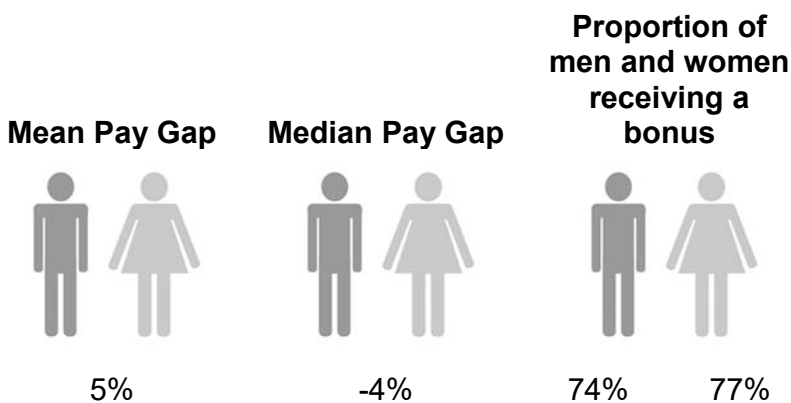


BEIS uses Civil Service grades ranging from Administrative Officer to Senior Civil Servant and the figures in this report are based on these grades. Grades vary according to the level of responsibility that staff have. Each grade has a set pay range with pay gaps between grades. The gender pay gap figures for Core BEIS are a **mean gap of 5%** and a **median gap of 13%**.

This is a significant improvement on last year when we reported a **mean gap of 9%** and a **median gap of 15%**.

When pay is compared by grade, the gap reduces further.

### Bonus pay

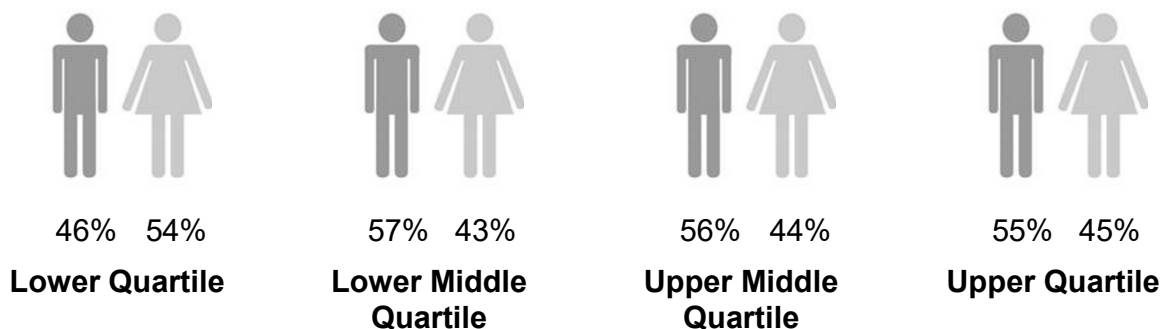


This year, the department offered both in year and end year performance awards, as well as reward vouchers. Awards reflect exceptional performance either consistently across the year or for delivery of specific, short term, one off achievements. The value of the award is dependent on performance level and is irrespective of gender. The bonus gap shows that there is a gap in favour of women using the median average but a gap in favour of men of 5% when using the mean. Women were also more likely to receive a bonus than men. The difference in figures between the mean and the median will be driven by the differing sizes of bonuses

available to those in the SCS compared to other grades and the larger proportion of men in the SCS in the department.

Last year, we reported a **mean gap of 3%** and a **median gap of 0%**.

### Pay by quartiles



Women make up 54% of the lower quartile of BEIS pay and 45% of the upper quartile. As 47% of the department’s staff are women this illustrates that the pay gap is largely as a result of a higher concentration of women in more junior grades. The department’s Senior Civil Servants and Grade 6 posts are made up of 44% and 42% of women respectively, whereas women make up 51% and 59% of the most junior AO and EO grades.

The full set of figures for Core BEIS is set out below.

### Gender make-up of the department

Grade (increasing seniority)	Number of men (% of men who work in this grade)	Number of women (% of women who work in this grade)	% female
AA/AO	54 (2%)	56 (2%)	51%
EO	144 (4%)	204 (6%)	59%
HEO/SEO/FS	723 (21%)	620 (18%)	46%
Grade 6/7	783 (23%)	626 (18%)	44%
SCS (centrally managed)	126 (4%)	100 (3%)	44%
<b>Total</b>	<b>1,830</b>	<b>1,606</b>	<b>47%</b>

In comparison, this table shows the proportion of men and women at each grade in the civil service overall:

Grade (increasing seniority)	Number of men (% of men who work in this grade)	Number of women (% of women who work in this grade)	% female
<b>AA/AO</b>	63,465 (15%)	84,814 (20%)	57%
<b>EO</b>	47,806 (11%)	62,295 (14%)	57%
<b>HEO/SEO</b>	53,705 (12%)	52,442 (12%)	49%
<b>Grade 6/7</b>	24,500 (6%)	21,110 (5%)	46%
<b>SCS</b>	3,152 (0.73%)	2,346 (0.55%)	43%
<b>Total</b>	198,420	231,655	54%

\* All data from ONS's Civil Service Statistics 2018 as at 31/03/17.



The data indicates the main reason for the gender pay gap is that there are proportionally more men in higher grades. This then feeds through to the pay gap figures due to the relatively high proportion of more senior grades in the Department compared to the Civil Service average. The Core Department (excluding agencies) had a gender split by grade as above on 31 March 2018.

Women are over represented in more junior grades where pay is lower and under-represented in more senior grades.

In addition, there seem to be more men in roles that attract additional pay allowances. These are offered where there is a particular issue with recruitment and retention, and the department cannot otherwise compete in the market. There are some areas where the gender balance of those receiving such enhancements is balanced but there are others where the mix is tilted towards one gender or the other. Overall though men are more likely to receive such an enhancement. Further work would be required to investigate this fully, but the initial evidence is that this is reflective of the wider employment market (for example, the need to recruit staff with expertise in Science, Engineering, Technology and Mathematics areas where there is a long recognised gender imbalance as well as a shortage of suitably qualified individuals).

## Annex C – Difference since last year

BEIS group figures (including Executive Agencies)

**Gender pay gap (in favour of men):**

Pay gap / Bonus gap	2017	2018
Mean gender pay gap	12%	11%
Median gender pay gap	15%	14%
Mean bonus gender pay gap	12%	14%
Median bonus gender pay gap	15%	11%

**The proportion of male and female employees paid a bonus:**

Employees	2017	2018
Male	80%	84%
Female	76%	84%

**Proportion of male and female employees in each quartile BEIS group figures (including Executive Agencies)**

Quartile	2017		2018	
	Female	Male	Female	Male
Lower quartile	60%	40%	47%	53%
Lower middle quartile	46%	54%	59%	41%
Upper middle quartile	40%	60%	37%	63%
Upper quartile	39%	61%	40%	60%



Core BEIS figures (excluding Executive Agencies)

Gender pay gap (in favour of men):

Pay gap / Bonus gap	2017	2018
Mean gender pay gap	9%	5%
Median gender pay gap	15%	13%
Mean bonus gender pay gap	3%	5%
Median bonus gender pay gap	0%	-4%

The proportion of male and female employees paid a bonus:

Employees	2017	2018
Male	71%	74%
Female	71%	77%

Proportion of male and female employees in each quartile CORE BEIS figures (excluding Executive Agencies)

Quartile	2017		2018	
	Female	Male	Female	Male
Lower quartile	58%	42%	54%	46%
Lower middle quartile	48%	52%	43%	57%
Upper middle quartile	44%	56%	44%	56%
Upper quartile	42%	58%	45%	55%

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