



Department
of Health &
Social Care

Gender Pay Gap Report

2018

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Introduction

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 that there may be a number of issues to deal with and the individual calculations may help to identify what those issues are.

The gender pay gap is different to equal pay. **Equal pay** 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.

The Department of Health and Social Care is formed of the core Department (DHSC) and its Executive Agencies, Public Health England (PHE), and the Medicines and Healthcare Products Regulatory Agency (MHRA).

The Department and its Executive Agencies support the fair treatment and reward of all staff irrespective of gender. The Department and its Executive Agencies pay approach is based on the principles of consistency, fairness and transparency, supporting the fair treatment and reward of all staff irrespective of gender.

Building a diverse and inclusive workforce that reflects the people we serve is one of the Civil Service's top workforce priorities. Our collective aim is to make the Civil Service the UK's most inclusive employer by 2020. Our Diversity and Inclusion Strategy outlines how we plan to achieve this. The Civil Service should create

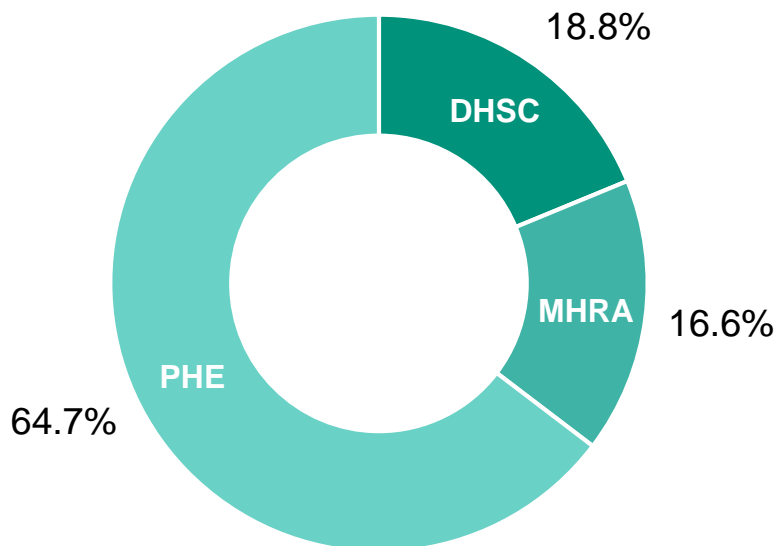
opportunities for all in a truly meritocratic way and reward all civil servants fairly, regardless of gender, ethnicity or any other personal characteristic.

This report fulfils the Department and its Executive Agencies reporting requirements, analyses the figures in more detail and sets out what we are doing to close the gender pay gap in the organisation.

Report Population

Organisations

This report presents the combined data from the Department and its Executive Agencies. This combined population breaks down as follows;



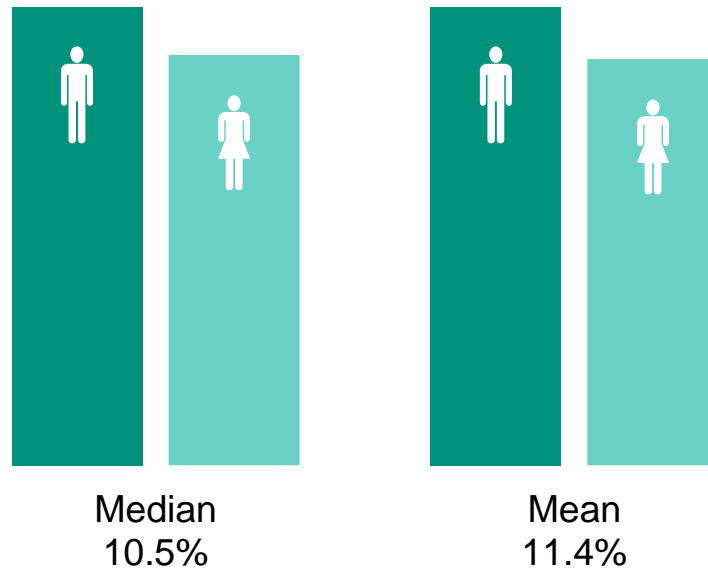
Workers in Scope

Included in the data are the Department and its Executive Agencies employed civil servants and special advisors. It has not been possible to include fees-paid staff and contractors in scope. We intend to review the way we store information for this group in the future.

Gender Pay Gap Report

Gender Pay Gap in Hourly Pay

Median & Mean



Median by Organisation



Mean by Organisation



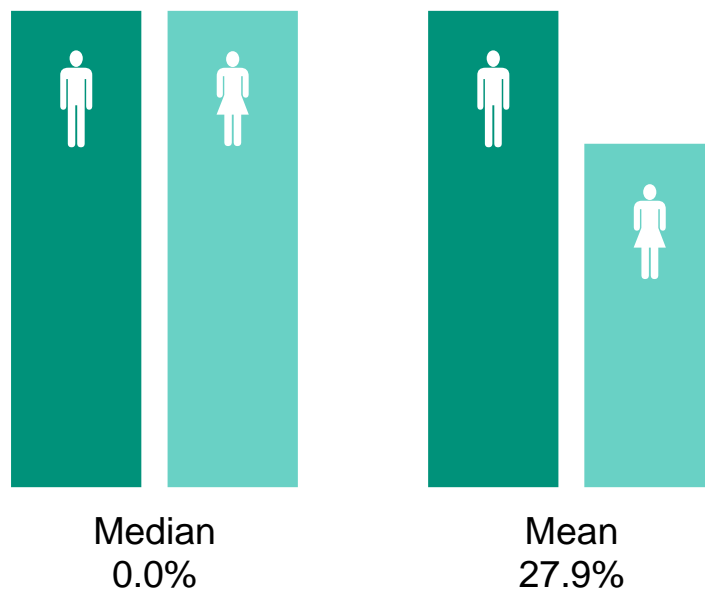
The Department and its Executive Agencies use Civil Service grades ranging from Administrative Assistant to the Senior Civil Service. Each grade has a specific pay range. Grades vary by levels of responsibility and each grade has a set pay range. Colleagues move through the pay range as they develop their careers in the Department and its Executive Agencies; generally, those who have spent longer in the same grade would be expected to earn more, regardless of gender. For this report, hourly pay is calculated using base pay, allowances, and bonuses paid in the relevant pay period as defined in the regulations.

70.8% of colleagues in the lower quartile of pay are women. The difference in hourly pay is driven by a number of factors, including the greater proportion of men in the Senior Civil Service (SCS) compared to the overall population, and higher pay and higher bonus opportunity in the SCS. We will continue to do further work to understand the underlying causes of this.

The median pay gap has reduced from 13.3% in 2017 to 10.5% in 2018. The mean pay gap has reduced from 14.2% in 2017 to 11.4% in 2018. For DHSC core, there was a greater reduction in the mean pay gap than in its Executive Agencies. A number of factors contributed to this, including continued work to promote inclusion within the department and greater workforce change within the department than the agencies.

Gender Pay Gap in Bonus Pay

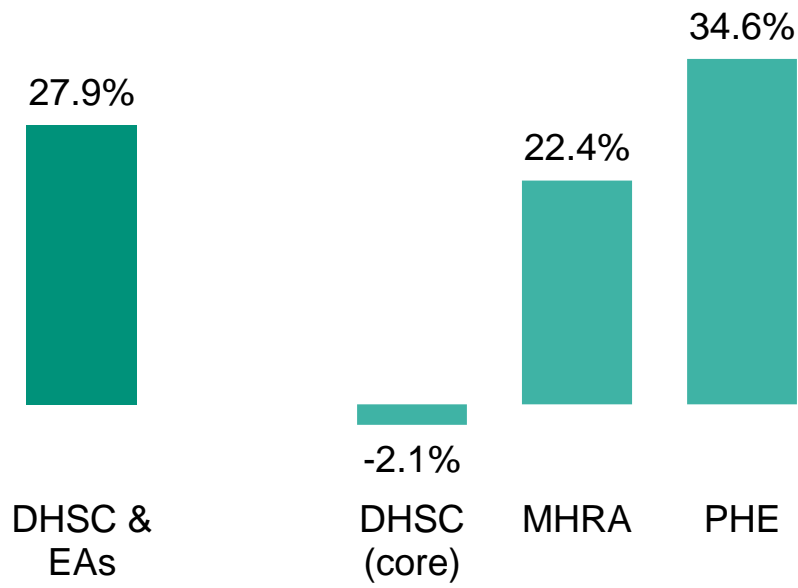
Median & Mean



Median by Organisation



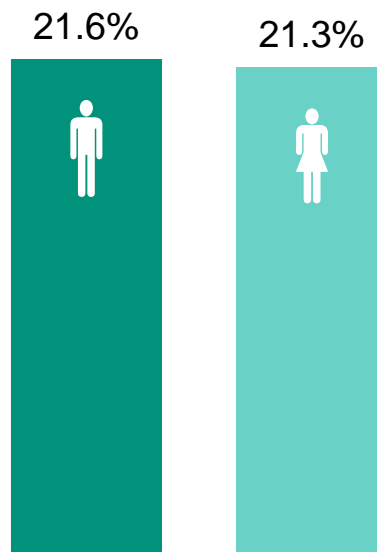
Mean by Organisation



In the department and its Executive Agencies, performance awards were paid as a set value depending on grade and performance, regardless of gender.

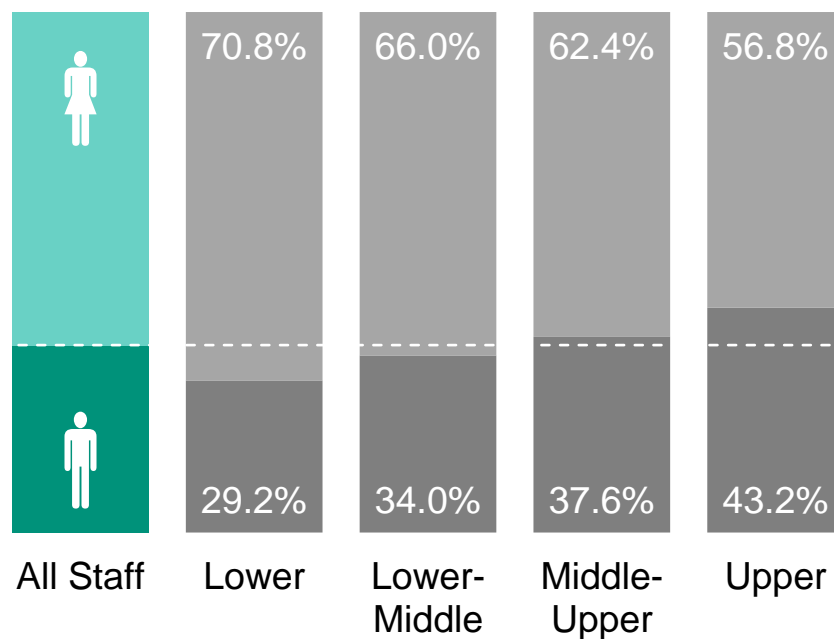
The bonus pay gap is driven by the availability of higher bonuses in the SCS where there is a greater proportion of men compared to the overall population,

Proportion of Males and Females Receiving a Bonus Payment



In DHSC core, the positive bonus gap reflects the departments workforce composition. Changes from 2017 resulted from more women being appointed to the Senior Civil Service during the reporting period and preceding year. As a greater number of women then had access to the higher bonuses available at this level there is now a positive gap in women’s favour.

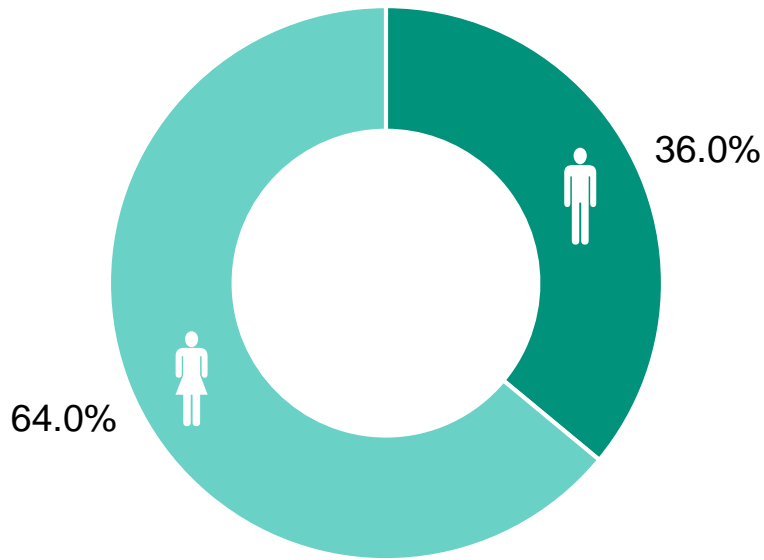
Proportion of Males and Females in each Pay Quartile



70.8% of colleagues in the lower quartile are female, compared with 56.8% in the upper quartile. As 64.0% of the Department and its Executive Agencies workforce is female, this demonstrates that the pay gap is partly the consequence of a higher proportion of females occupying more junior roles.

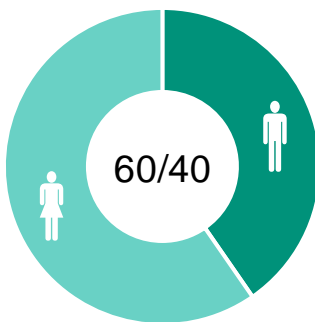
Gender Profile

The gender profile of the Department and its Executive Agencies is as follows;

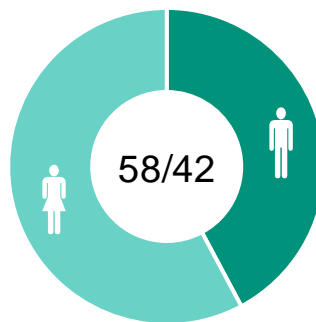


Gender Profile by Organisation

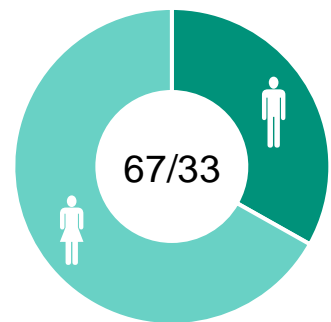
DHSC (core)



MHRA



PHE



Gender Profile by Grade

The gender profile at each grade for the Department and its Executive Agencies is as follows;

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	428	(15%)	836	(16%)	66%
EO	347	(12%)	668	(13%)	66%
HEO/SEO	1,105	(38%)	2,017	(39%)	65%
Grade 6/7	597	(21%)	988	(19%)	62%
SCS (centrally managed only)	410	(14%)	600	(12%)	59%
Total (including those with unknown grade)	2,887		5,109		64%

This shows a bigger proportion of female colleagues at every grade and overall but there is a reduction in the number of female employees in more senior grades.

Comparison with Last Year's Report

	2017		2018		Difference	
Median Gender Pay Gap in Hourly Pay	13.3%		10.5%		-2.8%	
Mean Gender Pay Gap in Hourly Pay	14.2%		11.4%		-2.8%	
Median Gender Pay Gap in Bonus Pay	10.4%		0.0%		-10.4%	
Mean Gender Pay Gap in Bonus Pay	33.1%		27.9%		-5.2%	
	Male	Female	Male	Female	Male	Female
Proportion of Males and Females Receiving a Bonus	19.6%	17.8%	21.6%	21.3%	+2.0%	+3.5%
Proportion of Males and Females in Each Pay Quartile						
Lower	28.1%	71.9%	29.2%	70.8%	+1.1%	-1.1%
Lower-Middle	31.4%	68.6%	34.0%	66.0%	+2.6%	-2.6%
Middle-Upper	39.2%	60.8%	37.6%	62.4%	-1.6%	+1.6%
Upper	45.3%	54.7%	43.2%	56.8%	-2.1%	+2.1%

Targeted Action to Remove the Gender Pay Gap

The Department and its Executive Agencies are committed to addressing the gender pay gap. This is evidenced in the reduction of the pay and bonus gap in the majority of areas across the Department and its Executive Agencies from 2017 to 2018.

During the last year, progress has been made in the following areas:

- ▶ **Continuing to review our recruitment policies and processes to ensure this drives fairness and equality in all our recruitment.** We have been undertaking analysis of our recruitment activity on a quarterly basis across a range of demographics, including gender.
- ▶ **Continued focus on improving representation of female participants on internal talent schemes, and additional gender-focused schemes at senior level.** Greater focus on attracting and supporting women into the Senior Civil Service (SCS) – including identifying and removing barriers for entry, anonymising the application process to reduce any potential bias and ensuring interviews are structured with candidates being asked the same questions and marked against standard criteria. Our 2018 figures show an increase in the number female employees joining or progressing to the SCS.
- ▶ **Use of pay strategies to target lower paid staff within DHSC core.** The data shows there are a larger proportion of female employees in the bottom two pay quartiles so targeted or larger increases in these areas have helped equalise the position. In DHSC's Executive Agencies, the issue relates to a higher proportion of men in more senior roles rather than a difference in pay/bonus for similar roles and so the focus is on increasing the number of women in senior roles.
- ▶ **Gender equality has been an integral element of our Diversity and Inclusion Strategy.** Gender related issues are jointly discussed and resolved across the Department and its Agencies through staff Networks and forums, and working together to share best practice.

- ▶ **An increased focus on policies which support equality in the workplace.** This includes providing support for employees returning to work after maternity leave and career breaks, encouraging the uptake of shared parental leave, and providing a range of flexible working arrangements and use of technology to enable parents and carers to balance work and other responsibilities.