

2018 Gender Pay Gap – Department for Education

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What is the legislation?

Under the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017, all organisations listed at Schedule 2 to the regulations that employ over 250 employees are required to report annually on their gender pay gap. Other organisations with 250 or more employees will need to comply with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

What does the gender pay gap mean?

The gender pay gap is a high-level snap-shot of pay within an organisation and shows the difference in the average pay between all men and women in a workforce. If a workforce has a particularly large 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. A gender pay gap does not equate to the existence of an equal pay problem, albeit a gender pay gap may be a trigger for further investigation about the reasons why the gap exists.

What is our approach to Diversity and Inclusion?

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 & 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 2018 Department for Education (DfE) launched its latest Diversity and Inclusion strategy for the next five years. It is shaped by and focused on what our staff say needs to change to meet our own aspiration to be the most inclusive Department in the Civil Service. Becoming a more diverse workforce and maximising that diversity helps us to become more **user centred** for a diverse population. It contributes to creating an inclusive environment, where staff are able to **empower themselves and others**. And it underpins all of our aims by being key to a **talented workforce**.

One of the five priorities set out in DfE's Diversity and Inclusion Plan is the strand of work to *ensure that all DfE staff are able to achieve their full potential*. Developing an action plan to reduce the department's pay gap is a key part of this. This supports DfE's ambition to be a leader in Whitehall on Gender Pay.

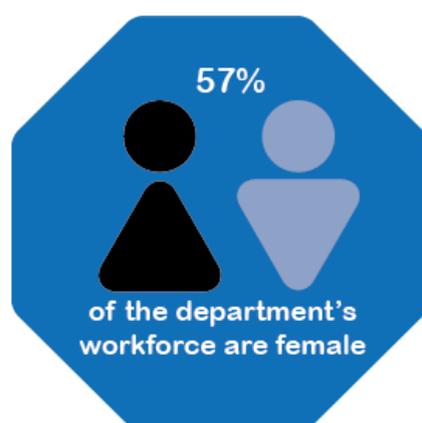
What is DfE's organisational structure?

For the purposes of this report, DfE includes the following Executive Agencies:

- Education and Skills Funding Agency;
- Standard and Testing Agency; and
- Teaching Regulation Agency.

The department uses Civil Service grades ranging from Executive Assistant (admin level grade) to Senior Civil Servant (executive level grade). Grades vary according to the level of responsibility that staff have. Each grade has a set pay range with pay gaps in between grades. Staff are expected to move through the pay range for their grade, therefore the longer period of time that someone has been in a grade the more we would expect them to earn irrespective of their gender.

Gender Make-up of the Department



What data do we need to include?

Included in the data is salary information as at 31 March 2018 as well as bonus payments made between 1 April 2017 and 31 March 2018. It uses all basic pay after salary sacrifice, allowances and paid leave paid in March but excludes overtime. The data includes all departmental staff paid via the payroll including the Executive Agencies and the European School Teachers. There are no contractors paid via the payroll in the department and therefore no contractor information has been included in the calculations.

Comparing Methodologies

The Office for National Statistics (ONS) is the UK's largest independent producer of official statistics and the recognised national statistical institute of the UK. Each year ONS undertakes two surveys and the published outputs include gender pay gap statistics. These are:

- Annual Survey of Hours and Earnings (ASHE). This uses employee’s actual earnings, excluding overtime, and actual working hours during a specified pay period. ASHE uses this data to calculate the hourly rate which is used to calculate the national gender pay gap figures.
- Annual Civil Service Employment Survey (ACSES). This uses employee’s full time annual equivalent pay, excluding bonuses. This annual figure is used to calculate the gender pay gap. ACSES does not collect contracted hours and therefore, does not calculate hourly rate.

It is important to note that the two surveys reference Gender Pay Gap but do not use exactly the same methodology to the Gender Pay Gap data contained in this report, which makes it difficult to make direct comparisons.

Department for Education’s Gender Pay Gap

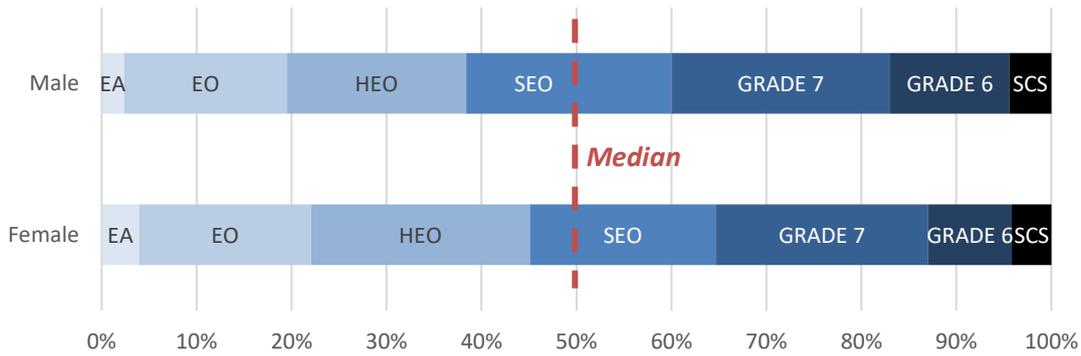


The department’s 2018 figures show a reduction in the GPG when compared with last year. The following table details the GPG figures for the last two years :

| | 2018 Pay Gap | 2017 Pay Gap | Change between 2017 and 2018 |
|---------------|-------------------------|-------------------------|---|
| Median | 5.6% | 5.9% | -0.3% |
| Mean | 4.5% | 5.3% | -0.8% |

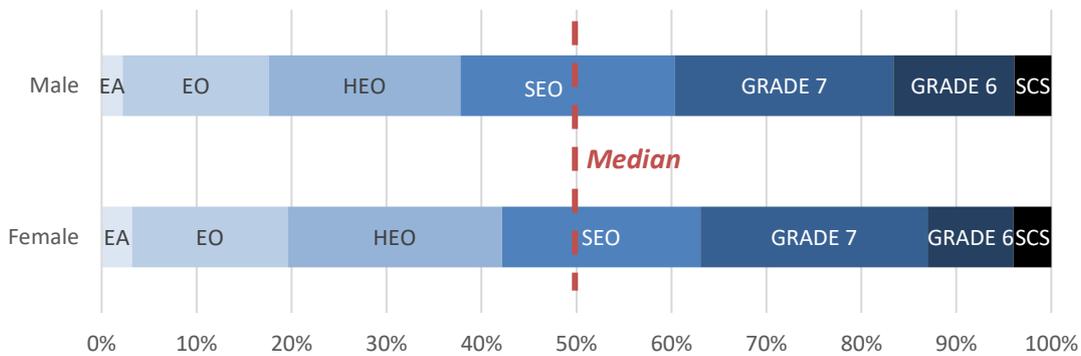
The difference in the median pay gap can be explained by the shift in the “average” grade for males and females in DfE. The chart below shows the median salary in March 2017.

March 2017 grade breakdowns by gender



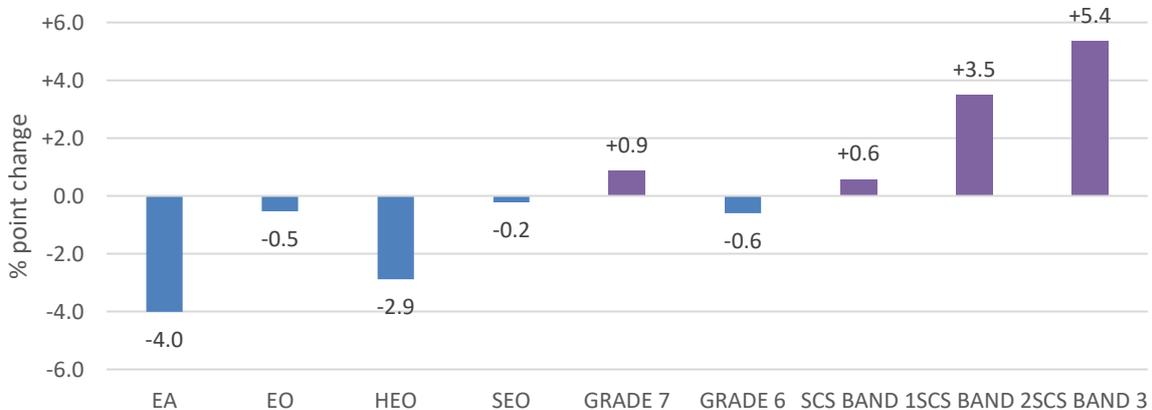
The next chart (2018) shows the movement up the Senior Executive Officer (middle management equivalent) pay band for the “average” female, whereas the “average” male has not shown the same level of movement.

March 2018 grade breakdowns by gender

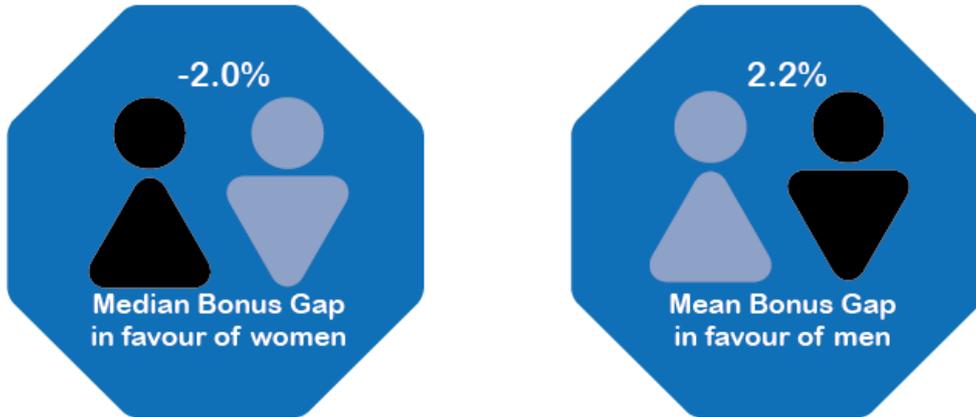


The change in the mean hourly rate is attributable to a number of factors and can be linked to shifts in female representation at all grades. The table below shows this in more detail; illustrating the reduction in women at junior grades and the increase at more senior grades.

Female representation by grade - March 2017 vs March 2018



Bonus Pay

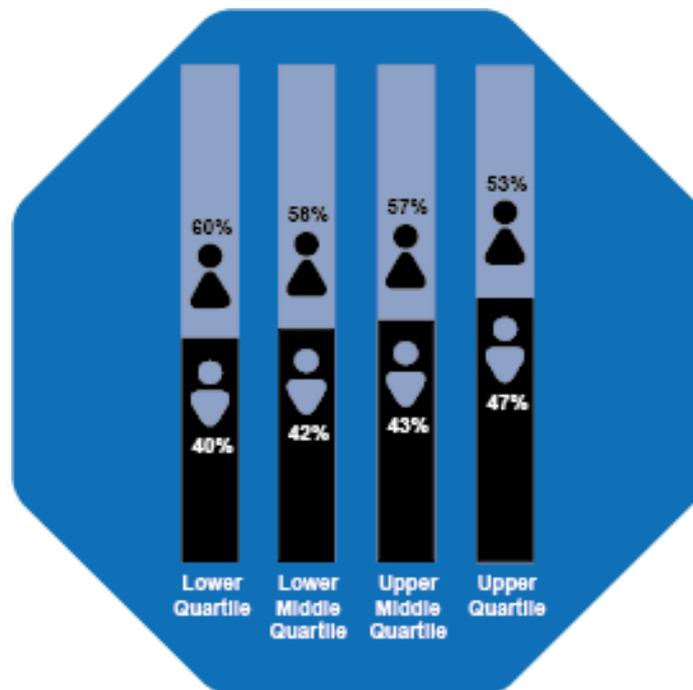


The department's 2018 figures show a reduction in the median bonus pay gap when compared with last year. The following table details the bonus pay gaps for the last two years:

| | 2018 Bonus Gap | 2017 Bonus Gap | Change between 2017 and 2018 |
|---------------|---------------------------|---------------------------|---|
| Median | -2.0% | 0% | -2% |
| Mean | 2.2% | 0.8% | +1.4% |

In 2017 the department launched a new performance related reward approach, enabling real time reward through an In Year Awards system. As 2017-18 has been a transition year to this system, the data includes a wider range of reward mechanisms than it will in future years. These approaches combined mean that 81% of staff received a bonus in 2018 compared with 70% in 2017. A greater percentage of women received a bonus (which includes recognition vouchers) in 2018 (82%), than men (79%). The median bonus gap has shifted from 0% in 2017 to a 2% gap in favour of women in 2018.

Pay by Quartiles



The overall percentage of women in the department has reduced from 59% to 57%. Despite this reduction the upper quartile shows no change in the percentage of women between 2017 and 2018 and the lower middle quartile shows a slight reduction. In 2018, 58% of the department's Senior Civil Servants were women compared with 55% in 2017.

The following table details the percentage of women only in each quartile for the last two years:

| | 2018 | 2017 | Change between 2017 and 2018 |
|------------------------------|------|------|------------------------------|
| Lower Quartile | 60% | 61% | -1% |
| Lower Middle Quartile | 58% | 61% | -3% |
| Upper Middle Quartile | 57% | 55% | +2% |
| Upper Quartile | 53% | 53% | 0% |

However men have spent a longer period of time in a Senior Civil Service grade when compared with women, leading to higher levels of pay as men have had more time to progress through the pay band.

The distribution of men and women in the pay quartiles continues to illustrate that the department's pay gap is largely as a result of a higher concentration of women in more junior grades.

Closing the Gender Pay Gap

DfE have undertaken a number of activities to focus on closing the Gender Pay Gap since first reporting in 2017. Key actions included:

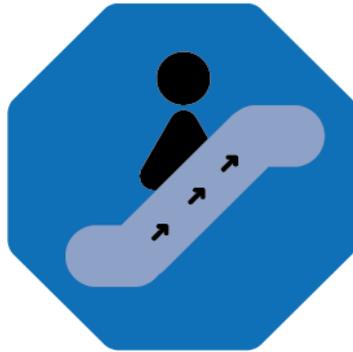
- **Strengthening the female pipeline:** this work has involved holding a series of focus groups and issuing staff questionnaires to understand what the key blockers to promotion are, particularly for women progressing to Senior Executive Officer (middle manager equivalent) and Grade 6 (senior manager equivalent);
- **Developing a set of data and MI:** that is regularly updated to monitor different aspects of the Gender Pay Gap including talent management, recruitment and review of starting salaries;
- **Sharing best practice:** using existing cross-government reward networks and meetings with the department's Arm's Length Bodies to talk about the Gender Pay Gap and share ideas on closing the gap;
- **Recruiting more apprentices and graduates:** developing routes into the department at EA/EO for apprentices and graduates to increase the number of employees at these grades who want to develop a career beyond administration;
- **Controls on starting pay:** continuing central controls on starting pay, particularly at more senior grades to ensure that all men and women start on the pay band minimum unless a higher salary is authorised centrally in recognition of labour market premiums. Higher starting pay for SCS staff must be authorised by Leadership Team; and
- **Strategic Workforce Plan:** ensuring that the Gender Pay Gap is taken into consideration when reviewing the department's strategic workforce plan and locations strategy.

These targeted actions have had a number of successes, notably in terms of a reduction in the number of new employees starting on higher pay due to tighter central controls, particularly at Senior Civil Service level. The work to strengthen the female pipeline has identified a number of issues for the department to tackle in overcoming barriers to women progressing in the organisation. These include concerns over location, frequency of travel and working patterns required for more senior roles. The department will take further action to tackle the identified barriers to progression. These actions are reviewed monthly at scheduled Gender Pay Gap meetings comprising a range of staff who are responsible for delivering the initiatives to close the gap.

What is DfE already doing to attract women to the department and support them to progress their careers?



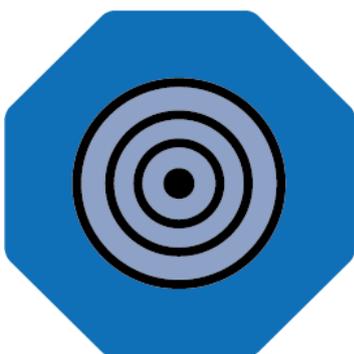
Active support for women returning to work following maternity or adoption leave. We encourage employees to take advantage of shared parental leave, job share or part time opportunities, and have refreshed our guidance to help line managers ensure those returning from maternity/adoption leave feel supported and welcomed.



Ensuring women have the opportunity and ability to progress their careers within the department through talent management schemes, such as the Positive Action Pathway that is open to all from protected characteristic groups.



Supporting Network 58, our departmental Women's equality Network. Network 58 actively promote gender equality, run upskilling events, promote campaigns and hold talks to inspire and support other women in the department.



Taking targeted action as part of the annual pay increase to ensure pay differences in grades are reduced where possible.



Reviewing our recruitment processes, so we continue to attract women into the Senior Civil Service and anonymising the application process.



Ensuring that gender equality is a central point in the departmental Diversity and Inclusion strategy.

Declaration

We confirm that data reported by the Department for Education 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.

DfE Permanent Secretary: Jonathan Slater



Jonathan Slater

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