

House of Commons pay gap report 2020

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House of Commons pay gap report 2020

Reforming and improving the culture of the House of Commons is a long-term goal for the House Service. That is why for the second year running, we are voluntarily publishing our ethnicity pay gap figures alongside our gender pay gap data. Transparency drives accountability, and these figures provide both a benchmark for success and a reminder of how much there is still to do to ensure our workforce is inclusive and fair.

We are proud to still be able to report one of the lowest gender pay gaps in the public service, but at the same time, these figures illustrate that we cannot become complacent – this year our average gender pay gap has increased by 0.6%, and as an employer in one of the most diverse cities in the UK, our ethnicity pay gap is far too high.

We are taking steps to address this problem, including: reviewing our recruitment strategies and policies, leadership programmes, reverse mentorship programmes, and signing up to the Race at Work Charter. Ensuring Parliament is a workplace where everyone can thrive will always be our goal, and we will continue to set ourselves ambitious targets through our cultural transformation programme and our new HR strategy.



John Benger

Clerk of the House of Commons

Background

At the House of Commons, we aim to provide a positive, inclusive working environment where people are valued for the skills and experience that they bring to work. Our aim is to be representative of the society we serve. This means making Parliament more accessible, diverse and free from discrimination. Our [Diversity and Inclusion Strategy](#) outlines how we plan to achieve this. This includes steps we are taking to improve equality and reduce or eliminate our pay gaps.

This is the fourth time the House of Commons Service has published a full report on its gender pay gap (GPG) data, and the second time we have published, on a voluntary basis, our ethnicity pay gap (EPG) data, showing pay gap data between white and BAME¹ colleagues.

We believe transparency drives accountability, and EPG reporting is an important step towards ensuring our workforce is diverse, inclusive and fair for everyone. We employ over 2,500 people across a huge range of specialisms – from carpentry specialists, cleaners and clerks to researchers, baristas and locksmiths – and are committed to ensuring equality at all levels.

What is a gender pay gap?

The gender pay gap is the difference between the average earnings of men and women, expressed relative to men's earnings. Organisations are required to publish:

- Mean² gender pay gap (%)
- Median³ gender pay gap (%)
- Proportion of males and females in each quartile band (%)
- Mean bonus pay gap (%)
- Median bonus pay gap (%)
- Proportion of males and females receiving a bonus payment (%)

If an organisation has a particularly high GPG, this can indicate a number of concerns, and the individual calculations may help to identify what those issues are. The GPG 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.

GPG regulations require the House of Commons to report using data based on a 'snapshot' of relevant employees taken on 5 April 2020. At the time the data below

¹ BAME – Black, Asian and other Ethnic Minorities. The Administration currently uses the acronym 'BAME' to produce headline data in line with comparative data sets. The Administration recognises the breadth of cultural differences within this grouping and future reporting regarding the breakdown of the ethnicities under the umbrella term may be required.

² The "mean" is the average of a set of numbers.

³ The "median" is the middle number in a list of numbers ordered from smallest to largest.

was collected, the gender divide amongst our staff was 45.8% women and 54.2% men.

What is the ethnicity pay gap?

The ethnicity pay gap is the difference between the average earnings of white and BAME staff, expressed relative to the earnings of white staff.

Our EPG calculations are based on the same methodology as the GPG calculations. However, if reporting becomes mandated it may require us to report differently in the future. Our response rates for ethnicity on the 'snapshot' date were high, at 81.6%, so we have confidence in the accuracy of our data.

Key Figures

Proportion of female and male employees

	Male	Female
All staff	54.2%	45.8%
Most senior staff (SCS) only	55.6%	44.4%

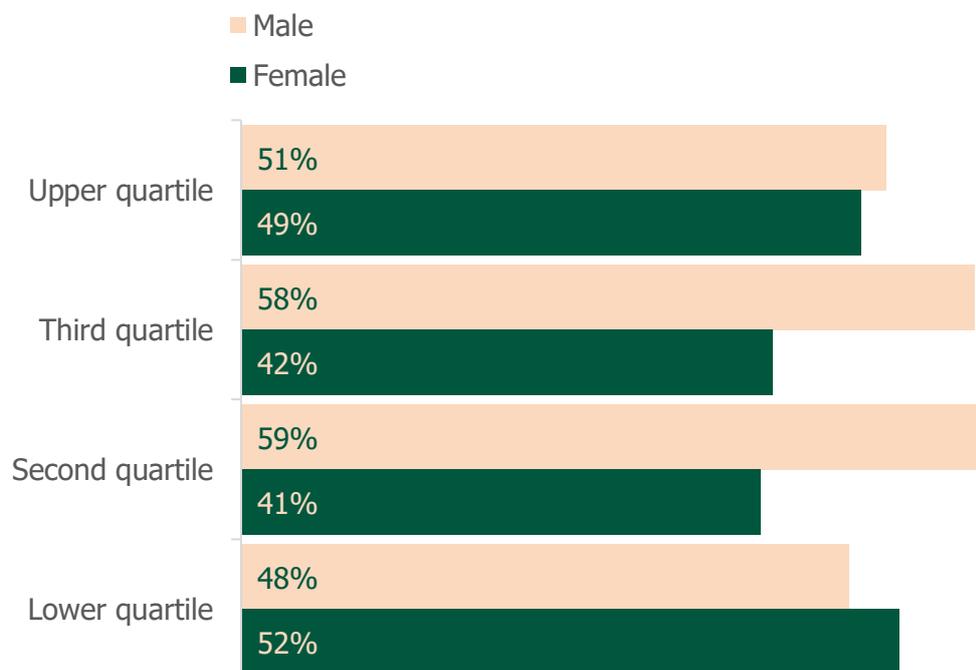
Proportion of white and BAME employees

	White	BAME
All staff	77.0%	23.0%
Most senior staff only (pay bands SCS and A) ⁴	89.7%	10.3%

Hourly pay gap

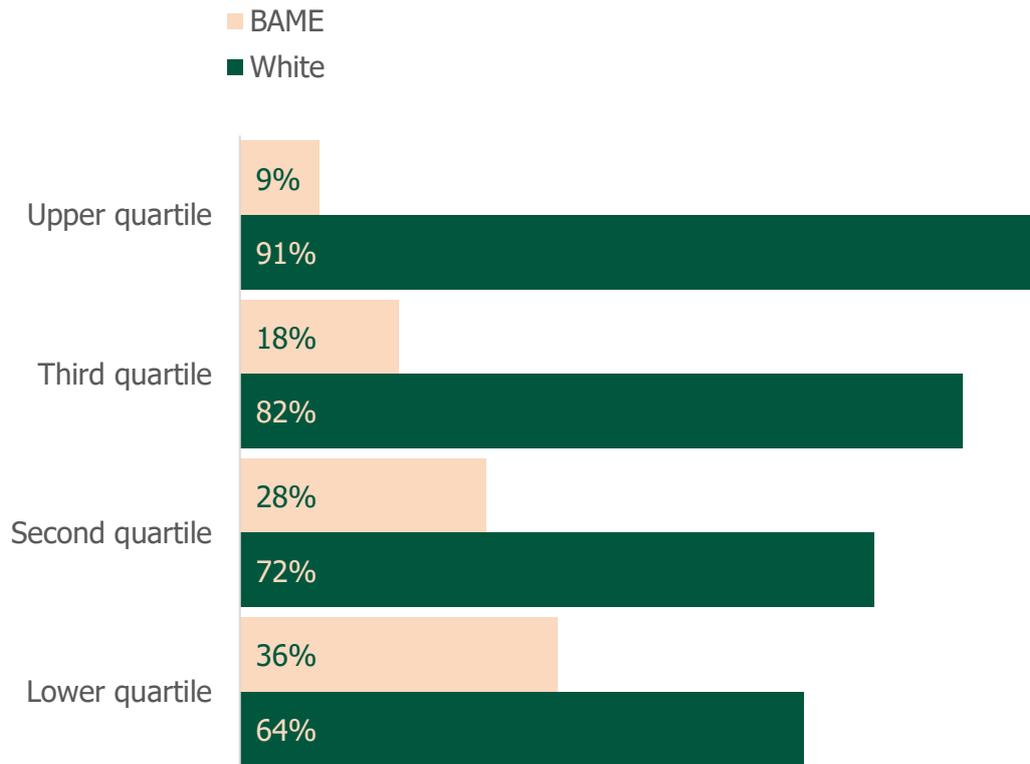
	Mean	Median
GPG	0.9%	0.9%
EPG	19.9%	12.4%

Percentage of males and females in each pay quartile



⁴ We have combined pay bands SCS and A so that individuals cannot be identified.

Percentage of white and BAME people in each pay quartile



Bonus pay gaps

	Mean	Median
GPG	-0.1%	0.0%
EPG	6.7%	0.0%

Proportion receiving a bonus⁵

Male	Female
84.9%	81.9%

White	BAME
94.8%	95.7%

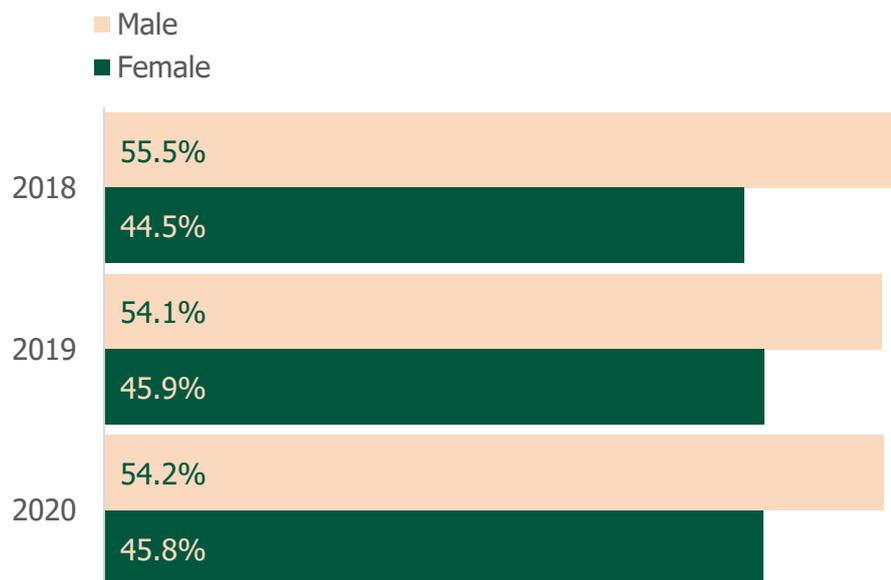
⁵ An explanation of the high proportion of bonuses is given in the 'House of Commons Pay Gap Data' section below.

House of Commons Pay Gap Data

At 5 April 2020, House of Commons employed a total of 2,577 employees, of which 90 were SCS staff⁶.

Proportion of female and male employees

Since 2018 the proportion of female employees has risen by 1.3 percentage pay point⁷ (ppt) to 45.8%. This is broadly in line with the London economically active population and 2ppts lower than the UK economically active population.

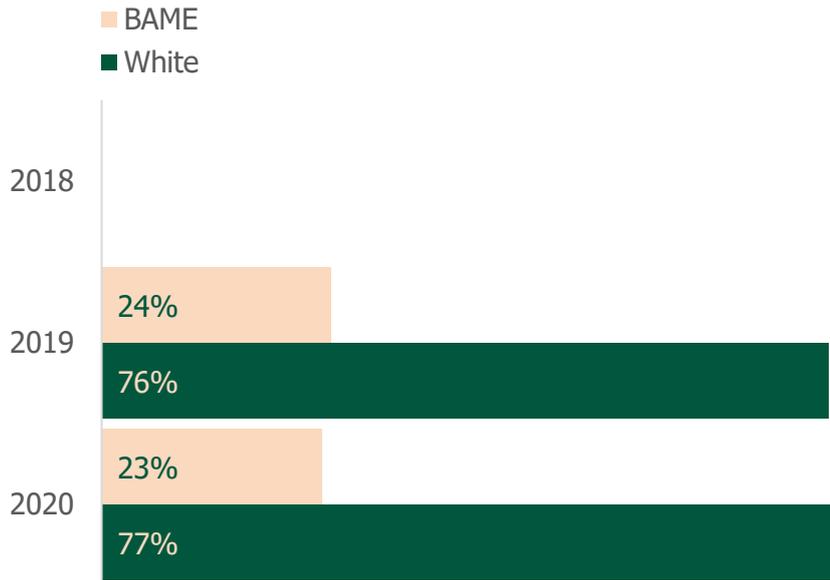


Proportion of white and BAME employees

Since 2019 the proportion of BAME employees has fallen by 1.0 ppt to 23.0% as a proportion of those who shared their data. This compares with 36.6% of the economically active population in London and 13.1% in the UK.

⁶ For the purposes of gender pay reporting, the definition of who counts as an employee is defined in The Equality Act 2010. Using this 'extended' definition ('full pay relevant employees') and a 'snapshot date' of 5 April means that there is some inconsistencies compared with data in our annual Diversity Monitoring reports.

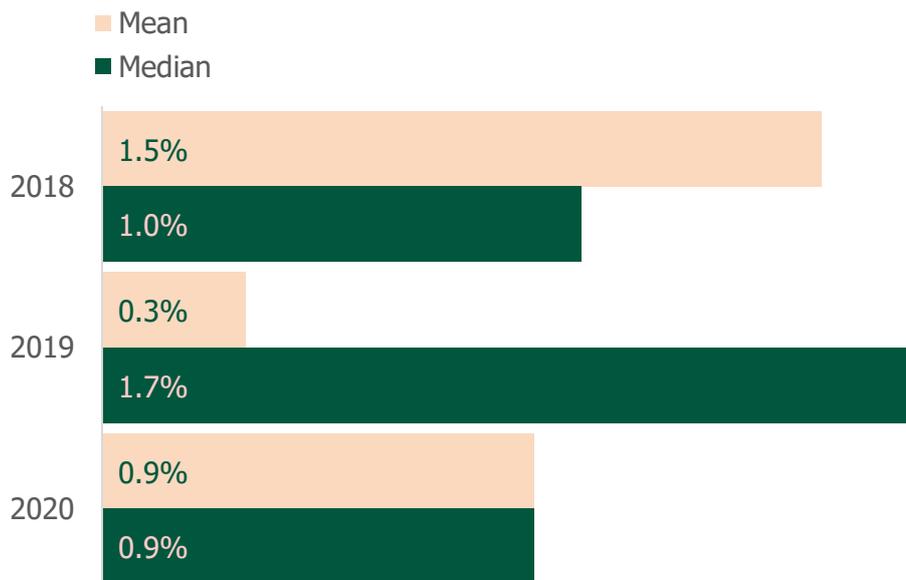
⁷ A percentage point (ppt) is the unit for the arithmetic difference of two percentages.



Hourly pay

Gender Pay Gap

The mean GPG (the difference between men’s and women’s average hourly pay) is 0.9% (0.3% in the 2019 report) and the median GPG is 0.9% (1.7% in the 2019 report).



In comparison to last year’s published figures, there has been an increase in the average gap (of 0.6%) and a decrease in the median gap (of 0.8%).

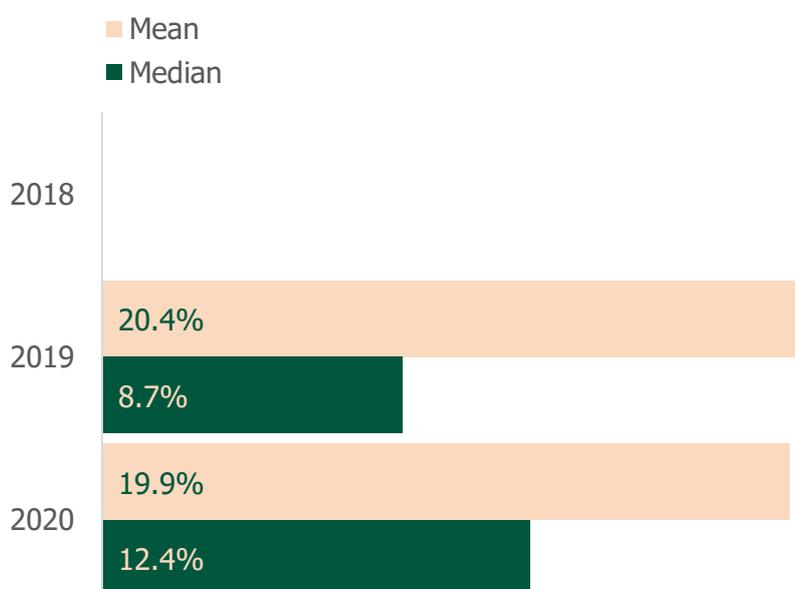
House of Commons GPG compares very favourably with the UK 2020 median GPG of 15.5% and the Public Sector's overall median GPG of 15.8%.⁸

Ethnicity Pay Gap

The EPG mean pay gap (the difference in average hourly pay of Black, Asian and Minority Ethnic and white people) is 19.9% (20.4% in 2019) and the median EPG is 12.4%. (8.7% in 2019).

In comparison to last year's published figures, there has been a decrease in the average (mean) gap (of 0.5%) and an increase in the median gap (of 3.7%).

2019 ONS figures⁹ shows London to have a median EPG of 23.8% and England and Wales to have a median EPG of 2.3%.



Our EPG is driven by an imbalance of BAME and white people across different levels of the organisation, including an underrepresentation of BAME people at the more senior pay bands.

Our assessment is that the change in the ethnicity pay gap figures could be explained by three main interdependencies at play: a) a significant increase in the number of staff employed around this time (March 2019 to March 2020), with a greater proportion (circa 60% of new staff) working in higher pay bands (Bands A and B and SCS) – all groups that have a higher representation of white staff; b) nearly half of new staff (47%) joined business areas where pay flexibilities are regularly used for more senior staff; and c) our declaration rates for ethnicity have

⁸ Source: Annual Survey of Hours and Earnings, Office for National Statistics, 2020.

⁹ Source: ONS Ethnicity pay gaps: 2019, 12 October 2020 (the headline measure for the ethnicity pay gap uses Annual Population Survey data).

fallen between the two dates (87% in 2019 and 82% in 2020), which contributed to a seemingly decreasing BAME community. It seems possible that the drop may be linked to the non-capturing of ethnicity data for new staff.

Hourly pay quartiles

The hourly pay quartiles data shows the proportion of: i) men and women; and ii) white and BAME people that are in each pay quartile, when we arrange staff in order of hourly pay rate.

Gender

There is a slight increase in the percentage share of women in the upper, third and lower quartiles compared with 2019, partially offset by a bigger fall in the percentage share of women in the second quartile. This movement may be linked to the small reduction in the median hourly gender pay gap figures.

% point change of females in each pay quartile: 2019 to 2020

Quartile	% point change
Upper quartile	1%
Third quartile	1%
Second quartile	-2%
Lower quartile	1%

Ethnicity

The EPG figures shows that the under-representation of BAME people progressively increases – quartile to quartile - from the lowest to the highest quartile.

There is a fall in the percentage share of BAME staff of 2 ppt in the lower quartile compared with 2019. In addition, there is also a decrease in the percentage share of BAME staff in the upper and second quartiles (1 ppt).

% point change of BAME employees in each pay quartile: 2019 to 2020

Quartile	% point change
Upper quartile	-1%
Third quartile	0%
Second quartile	-1%
Lower quartile	-2%

Bonus Pay

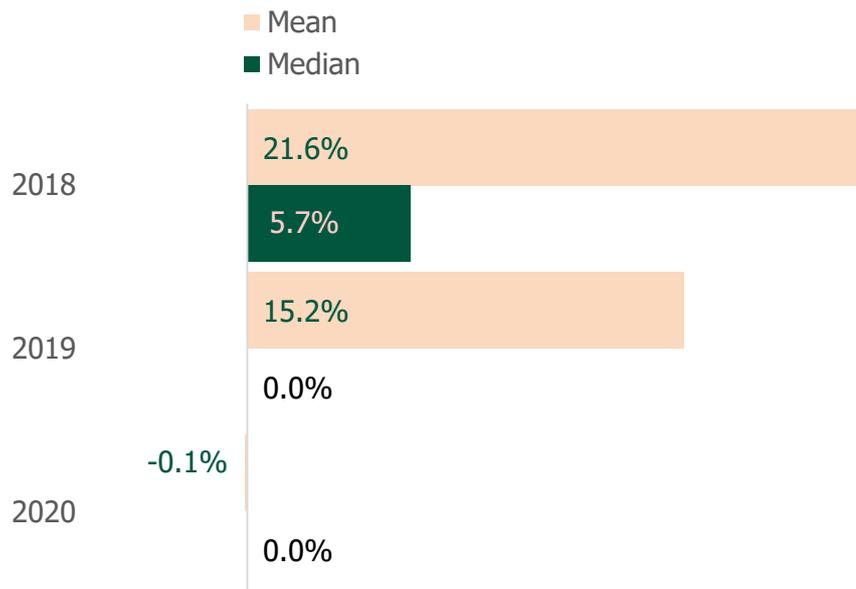
The bonus gap is based on the gross bonus paid in the period from 1st April 2019 to 31st March 2020.

Our data on bonus payments is more complex as the data includes a variety of one-off payments which may not traditionally be considered 'bonuses'. These include recognition awards (including £25 vouchers awarded to staff for good work) as well as performance bonuses paid to staff in the Senior Commons Service (SCS) pay bands¹⁰. A one-off payment of £250 was also paid to all staff at the end of April 2019 to recognise increased workloads, difficult working conditions, and uncertainty about future Parliamentary recesses.

Our mean gender bonus gap is 0.1% in favour of women and the median gap is 0%. There has been a 15.3 ppt decrease in the mean bonus gap compared with 2019 figures. The 15.3 ppt decrease in the mean bonus gap is attributed to the impact of the across-the-board £250 one-off payment paid at the end of April 2019.

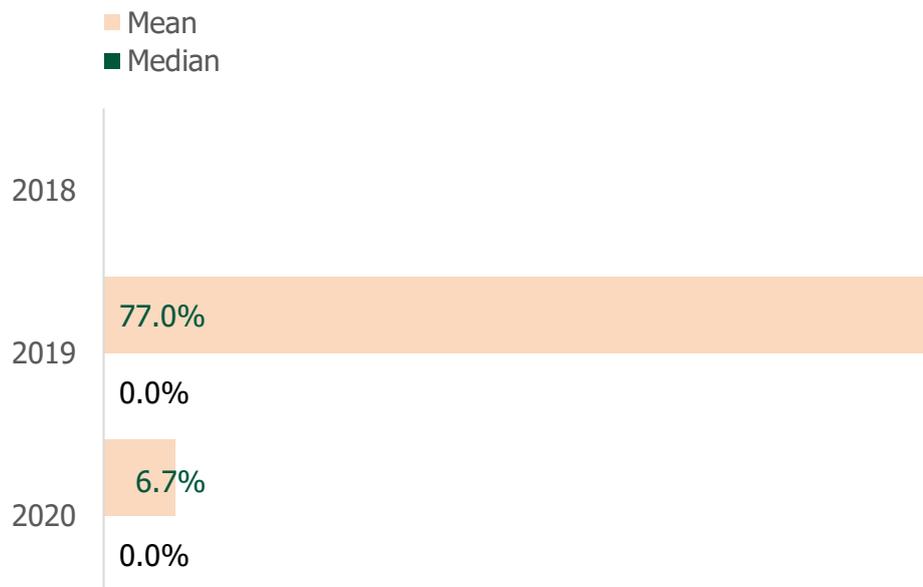
¹⁰ With effect from 2019/20 bonuses are longer a feature of SCS pay. This will impact upon pay gap figures from April 2021.

Bonus gender pay gap



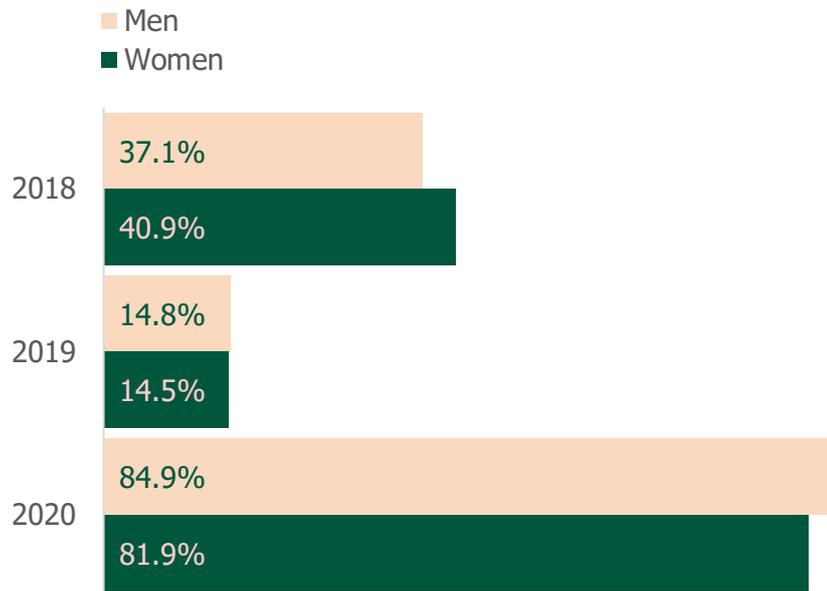
Bonus ethnicity pay gap

There is no median ethnicity bonus gap and the mean ethnicity bonus has fallen from 77% to 6.7%; the impact of outliers (SCS bonuses) lessened significantly by the impact of the across-the board £250 bonus payments at the end of April 2019.



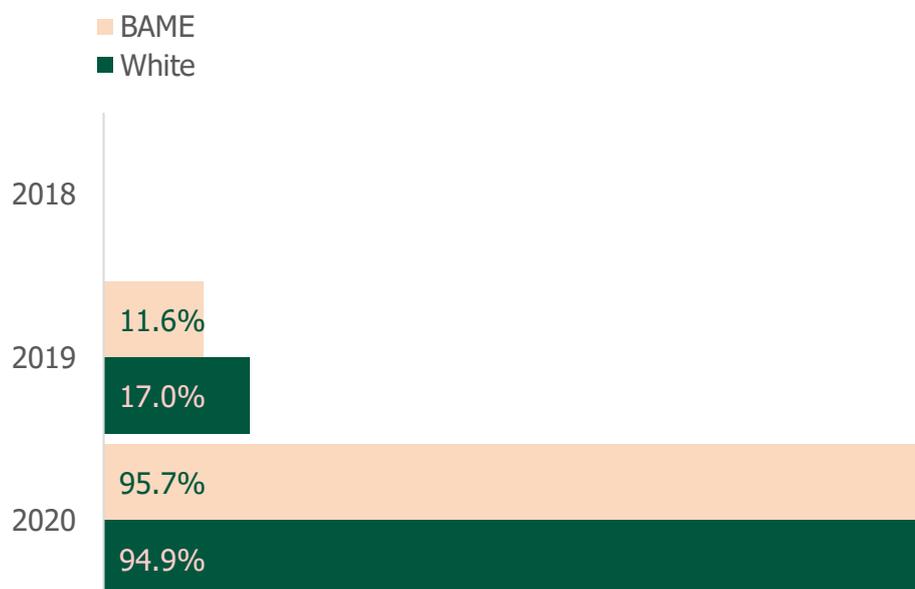
Proportion receiving a bonus: Gender

In the 12 months prior to the snapshot date, 81.9% of women received a bonus compared to 84.9% of men. There was a significant increase in the number receiving a bonus for both genders, 67.4 ppts more for women and 70.1 ppts more for men compared with the previous 12 months.



The significant increase in the proportion of men and women receiving a bonus in 2020 is attributable to the one-off £250 payment across-the-board payment for staff at the end of April 2019.

Proportion receiving a bonus: Ethnicity



In the 12 months prior to the snapshot date, 95.7% of BAME staff received a bonus compared to 94.8% of white staff. There was a significant increase in the number receiving a bonus for both groups, 84.1 ppts more for BAME staff and 77.8 ppts more for white staff compared with the previous 12 months.

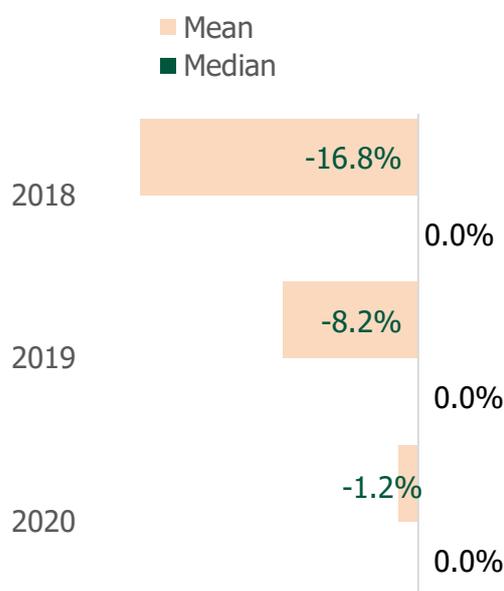
The Executive Board at the House of Commons has taken the decision that bonuses should no longer be a feature of SCS pay with effect from the 2019/20 financial year, which will be a contributory factor regarding mean bonus gap figures for both the GPG and the EPG reporting from 2021.

SCS bonuses

To give a more accurate picture of the GPG relating to bonuses paid as a result of good performance, the House has disclosed information about the gender bonus pay gap for senior (SCS) House staff. This voluntary disclosure includes bonus payments made to the most senior (SCS) staff of the Parliamentary Digital Service. The Parliamentary Digital Service (PDS) uses the same pay policies as the House of Commons and decisions about senior pay for both employers are made by the Senior Remuneration Committee of the House of Commons Commission.

The combined SCS mean data shows that our mean SCS gender bonus gap is 1.2% in favour of women and the median bonus gap is 0%. The discrepancy between the SCS mean bonus and the median bonus is as a result of the way the averages are calculated – median figures tend to be less affected by outliers, which may result in a very different picture. Figures for the SCS ethnicity pay gap are not published because of the risk of identifying individuals.

SCS gender bonus gap: HoC and PDS



What steps are being taken to address these figures?

While in comparison with the national median average of 15.5%, the House of Commons gender pay gap is small, there is still much more to be done to reach gender pay parity and address the inequality experienced by BAME staff. The House is committed to providing a positive, inclusive working environment, in which people are valued for the skills and experiences that they bring to work. We are in the second year of our [Diversity and Inclusion strategy](#) and believe that the actions we are taking as a result will help us to ensure that our people are allowed to thrive. We continue to be a London Living Wage employer, rated in the top 100 best employers in the Stonewall workplace equality index. We are also a Disability Confident Leader as part of the Disability Confidence Scheme and this year we have been recognised as one of the top 75 organisations in the Employer Social Mobility Index ranking 54th. Although our gender and ethnicity pay gap is linked to our staff profile, we recognise that that we need to take targeted actions in order to ensure that inequalities are addressed.

Over the past years, we have made significant policy decisions around the recruitment of senior staff and delivering representation at senior levels. Measures have included:

- The continuation of our recruitment policy specifically for senior staff of the default commitment to external recruitment will also ensure that we are targeting a diverse recruitment market to appoint to these key roles and to require both diverse panellists and shortlists.
- Using a “pressing pause” approach after each stage of the recruitment cycle (application deadline, long list, short list) to help ensure that our recruitment campaigns for senior roles have the best chance of reaching diverse audiences and continue to be fair and open. This allows any stages of the cycle to be revisited following the pause to help deliver this objective. This approach has been extended to roles in pay bands A and B.
- The launch of the new House of Commons HR Strategy in October 2020, focusing on diversity and inclusion. As part of this strategy, work has started on the review of our current recruitment strategies and policies and the impact these have on our staff and workplace culture. As part of the Inclusive Recruitment Review, we will review and assess the processes currently used to attract, recruit and onboard staff members, both internal and external, taking into consideration the ‘lived experience’ to ensure that we are well positioned as an inclusive employer of choice. In addition to identifying different ways of recruiting in today’s market, the team will maintain a focus on inclusion and ensure that our approach to recruiting and engaging new

talent includes an ability to reach diverse and wide ranging communities, thus improving our ability to recruit the talent we need.

- The introduction of a new Connected Leadership programme with ringfenced places for women and BAME staff. Ten leaders joined a new Connected Leadership programme. In 2021, a further three cohorts of 15 leaders will participate in the programme.
- The launch of a new “Coach & Focus” approach to performance management in April 2020, aimed at developing all staff in the organisation.
- The launch of a reverse mentoring scheme in the Autumn of 2020 between managers and young audiences from Black, Asian and Minority Ethnic backgrounds in with our Participation team.
- The completion of a pilot sponsorship programme for BAME staff to help them progress from pay band A into SCS posts.
- The continued regular succession planning discussions to help identify potential successors from non-traditional internal pathways.
- Increasing the number of spaces on BAME Internship recruitment programmes.
- We have signed up to the Race at Work Charter, with its actions designed to ensure ethnic minority employees are represented at all levels.
- We have delivered the second cohort of the Pathway to Success Leadership Development programme, to equip BAME individuals with the tools and knowledge required to stand for political office. Working in partnership with Operation Black Vote, Oxford University’s Magdalen College and Blavanik School of Government, and Lloyds Banking Group, we have increased the number of participants this year from thirty to sixty.

Within our wider organisational culture, we have removed grade related access restrictions for the House Service and PDS. All three of the fundamental Cox report recommendations have now been implemented and the Independent Complaints and Grievance Scheme 18-month review has also recently been completed.

We have continued to take action in response to the results of organisation-wide surveys; the Culture survey, which focuses on culture and behaviours, and a Wellbeing and Stress survey. We have also introduced a network of Voice Champions to help make our values and cultural change real for colleagues, including facilitating values workshops which were held in almost every team across the organisation.

We have also added ParliCare to our excellent Workplace Equality Networks (WENs), which aims to raise awareness of and support for all Parliamentary staff with caring responsibilities, ensuring that we continue to with our commitment to a more equal work environment.

We continue to ensure that we are effective in providing workplace adjustments to colleagues across Parliament who have a health condition or disability that may require an adjustment, to enable them to work effectively and comfortably. We do this through our dedicated Workplace Adjustment Case Manager.

We have also widened access to Parliament measures taken included:

- The Parliamentary Digital Service designed the parliament.uk website to meet all legal and best practice requirements for accessibility across 80% of the site
- Procurement of BSL and subtitling of parliamentary proceedings is underway
- Participation team have increased engagement with audiences across the whole of the UK by improving online access during 2020.

The House annually reviews pay for staff, focusing on what steps might be taken to reduce identified disparities, as part of its pay policy. The publishing of our ethnicity pay gap figures annually is a way of measuring our progress and is part of our commitment to transparency in delivering on cultural transformation to improve the lived experience of our BAME colleagues. In the wake of the Black Lives Matter movement, a cross house group has been established, chaired by the Clerk of the House, to tackle racism and reduce inequality. The group has focused workstreams on recruitment, retention and progression, as well as employer brand, monitoring actions and progress.