

House of Commons pay gap report 2019

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House of Commons pay gap report 2019

This year for the first time, we are voluntarily publishing our ethnicity pay gap figures alongside our gender pay gap statistics. We are committed to improving the diversity of our workforce, and to do this we must be open about the areas where we need to improve. We believe that transparency drives accountability and our ethnicity pay gap figures are an important step towards ensuring our workforce is inclusive and fair.

We are proud to report that our gender pay gap figures are an improvement on last year as well as being above industry standards. Our ethnicity pay gap report clearly demonstrates that further steps must be taken to address the inequality experienced by BAME colleagues in their everyday working lives.

We have introduced measures to address this problem, including leadership programmes, specific BAME internships and graduate recruitment programmes and Reverse Mentoring, but recognise that more needs to be done. We will continue to set ambitious targets within our Diversity and Inclusion Strategy as part of our ongoing cultural transformation programme, ensuring that Parliament is a workplace where everyone can thrive.



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 third time the House of Commons has published a full report on gender pay gap (GPG) data, and the first time we have published, on a voluntary basis, our ethnicity pay gap (EPG) data.

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 2,400 people across a huge range of specialisms – from clock makers, 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:

- Mean gender pay gap (%)
- Median 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 2019. At the time the data below was collected, the gender divide amongst our staff was 45.9% women and 54.1% men.

How have we calculated the ethnicity pay gap?

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 87%, so we have confidence in the accuracy of our data.

Key Figures

Proportion of female and male employees

	Male	Female
All staff	54.1%	45.9%
Most senior staff (SCS) only	56.2%	43.8%

Proportion of white and BAME employees

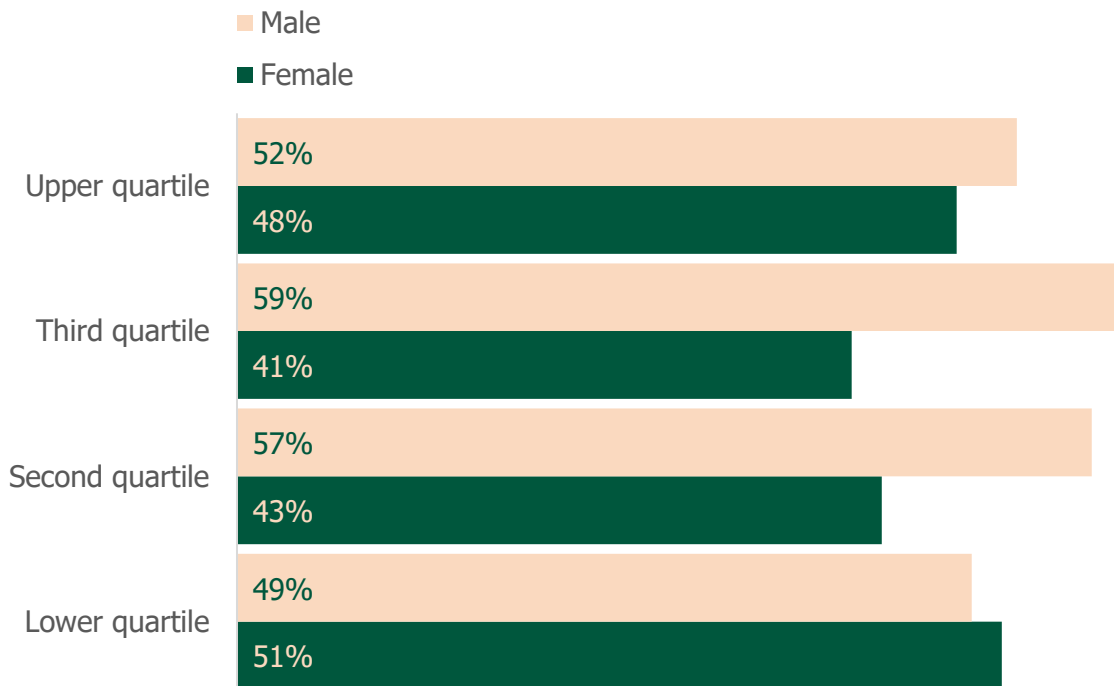
	White	BAME
All staff	76%	24%
Most senior staff (SCS) only *

*Percentages not shown as we do not publish data which may identify individuals.

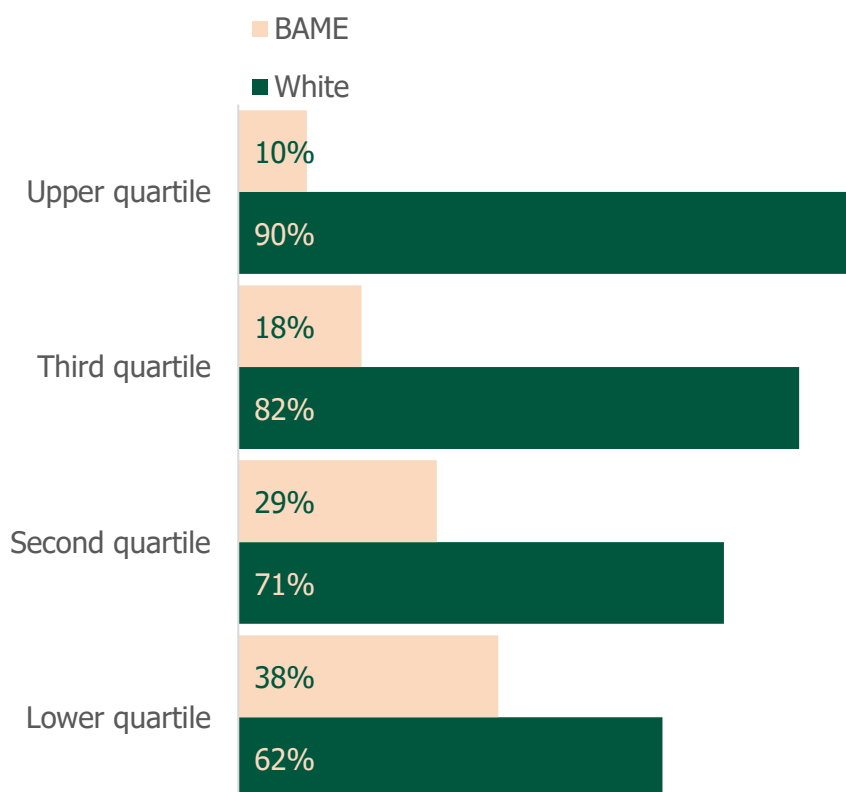
Hourly pay gap

	Mean	Median
GPG	0.3%	1.7%
EPG	20.4%	8.7%

Percentage of males and females in each pay quartile



Percentage of white and BAME people in each pay quartile



Bonus pay gaps

	Mean	Median
GPG	15.2%	0.0%
EPG	77.0%	0.0%

Proportion receiving a bonus

Male	Female
14.8%	14.5%

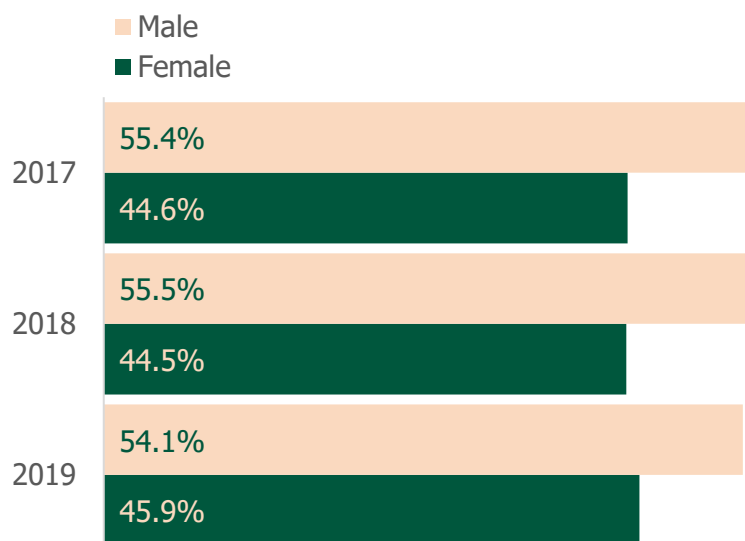
White	BAME
17.0%	11.6%

House of Commons Pay Gap Data

At 5 April 2019, House of Commons employed a total of 2,448 employees, of which 80 were SCS staff¹.

Proportion of female and male employees

Since 2017 the proportion of female employees has risen by 1.3 percentage pay point² (ppt) to 45.9%. This is in line with the London population and 2.3 ppts lower than the UK population.



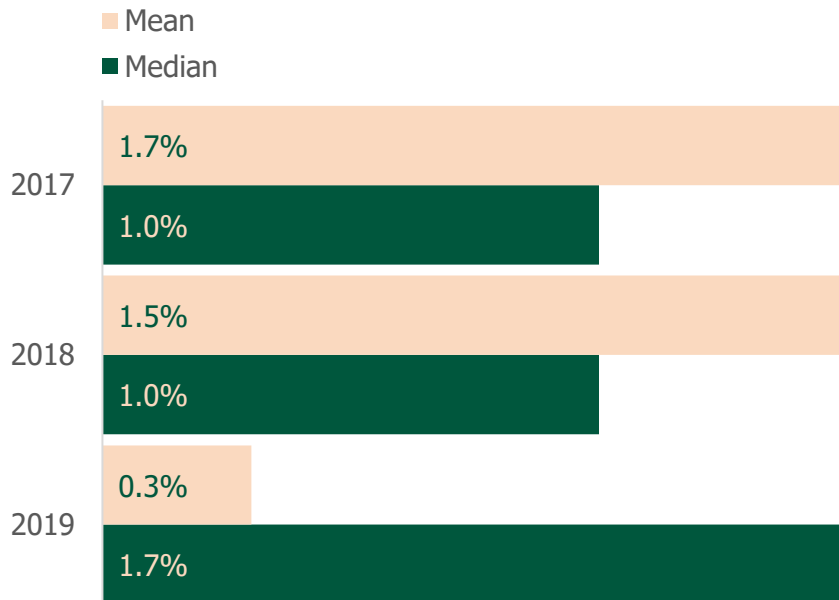
¹ For the purposes of gender pay reporting, the definition of who counts as an employee is defined in The Equality Act 2010. Using this 'extended' definition and a 'snapshot date' means that there is some inconsistencies compared with data in our annual Diversity Monitoring reports.

² A percentage point (ppt) is the unit for the arithmetic difference of two percentages.

Hourly pay

Gender Pay Gap

The mean³ GPG (the difference between men's and women's average hourly pay) is 0.3% (1.5% in 2018 report) and the median⁴ GPG is 1.7% (1.0% in 2018 report).



In comparison to last year's published figures, there has been a reduction in the average gap (of 1.2%) and a slight increase in the median gap (of 0.7%). The mean pay gap reduction may be primarily attributed to an increased representation of females at the higher grades, most notably at Band A level.

House of Commons GPG compares favourably with the UK 2019 median GPG of 17.3% and the Public Sector's overall median GPG of 16.8%.⁵

Ethnicity Pay Gap

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

	Mean	Median
EPG	20.4%	8.7%

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.

³ The "mean" is the average of a set of numbers.

⁴ The "median" is the middle number in a list of numbers ordered from smallest to largest.

⁵ Source: Annual Survey of Hours and Earnings, Office for National Statistics, 2019.

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 higher proportion of females in the lower and upper quartiles compared with 2018 which may have resulted in a broadly neutral impact on the hourly pay gap figures.

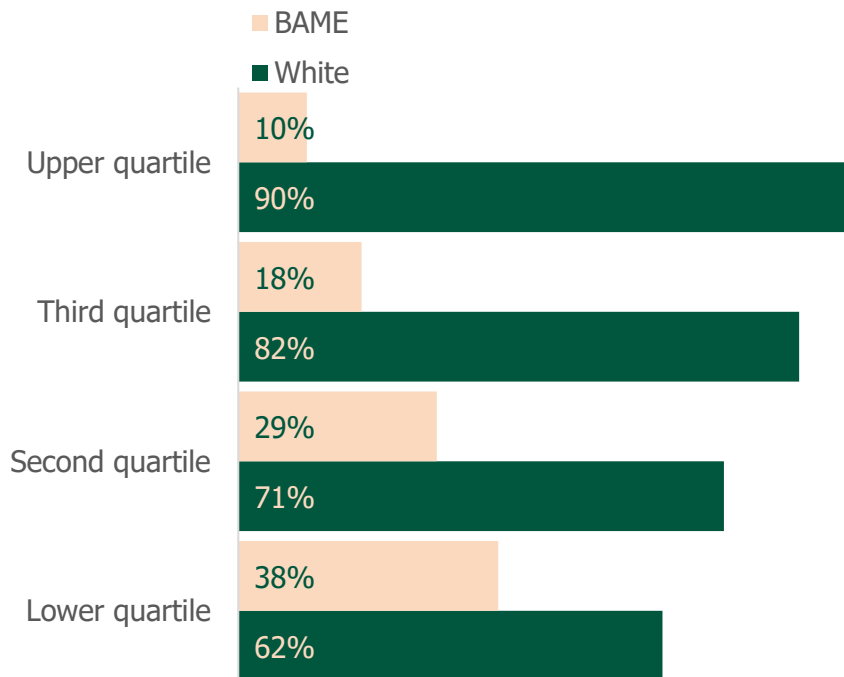
% point change of females in each pay quartile: 2018 to 2019

Quartile	% point change
Upper quartile	2%
Third quartile	0%
Second quartile	0%
Lower quartile	3%

Ethnicity

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

Percentage of white and BAME people in each pay quartile



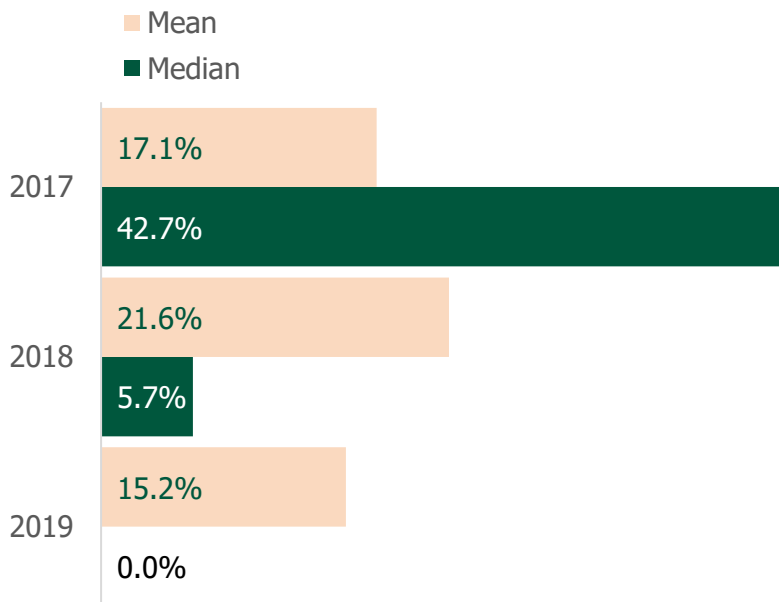
Bonus Pay

The bonus gap is based on the gross bonus paid in the period from 1st April 2018 to 31st March 2019.

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 bands.

Our mean gender bonus gap is 15.2% and the median gap is 0%. There has been a 5.7 ppt decrease in the median bonus gap and a 6.4 ppt decrease in the mean bonus gap compared with 2018 figures.

Bonus gender pay gap



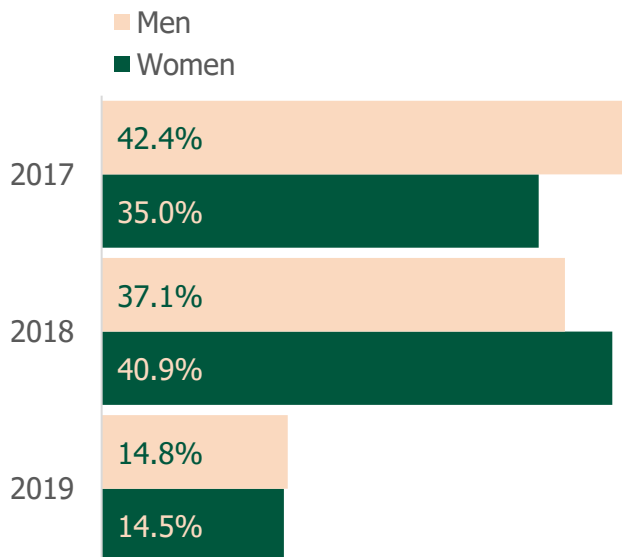
Bonus ethnicity pay gap (2019)

	Mean	Median
EPG	77.0%	0.0%

The large discrepancy between the BAME mean (77%) and median (0%) bonus percentages is because the mean figure has been significantly affected by outliers, specifically the allocation of bonuses to a small group of senior (SCS) staff.

Proportion receiving a bonus: Gender

In the last 12 months 14.5% of women received a bonus compared to 14.8% of men, this was a reduction in the number receiving a bonus for both genders, 26.4 pts less for women and 22.3 pts less for men compared with the previous 12 months.



The significant drop in the proportion of men and women receiving a bonus since 2017 is mainly attributable to an absence of lump-sum pay awards (resulting from changes to pay across all fully effective staff) paid in 2019.

Proportion receiving a bonus: Ethnicity (2019)

White	BAME
17.0%	11.6%

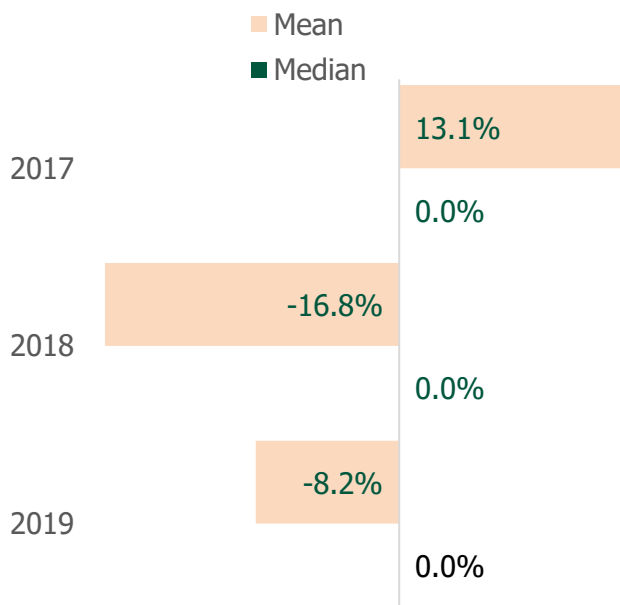
The Executive Board at the House of Commons has taken the decision that bonuses should no longer be a feature of SCS pay with effect from the 2019/20 financial year, which will significantly reduce the mean bonus gap figures for both the GPG and the EPG reporting from 2021.

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 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 8.2% 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 17.3%, 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 a London Living Wage employer, rated in the top 100 best employers in the Stonewall workplace equality index, and have achieved the Action on Hearing Loss 'Louder than Words' Charter Mark.

Over the past three years, we have made significant policy decisions around the recruitment of senior staff and delivering representation targets at senior levels, including:

- Starting to tackle the barriers for women and BAME people into senior roles through the Diversifying Leadership Programme. Since the last report, targets have now been set for increased representation as part of the new Diversity and Inclusion strategy.
- In June 2019, signing up to the Race at Work Charter with its actions designed to ensure ethnic minority employees are represented at all levels.
- Making significant policy decisions around the recruitment of senior staff, specifically to require both diverse panellists and shortlists when recruiting for a group of the most senior roles. A default commitment to external recruitment will also ensure that we are targeting a diverse recruitment market to appoint to these key roles.
- 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.
- Introducing the Reverse Mentoring (ParliREACH) initiative. This allows staff from minority ethnic backgrounds to act as reverse mentors to more senior staff, in which they share their experiences of being an ethnic minority with senior figures to help inform policy and leadership decisions in an effective and mutually beneficial way.
- A Talent Management Programme with ring-fenced places for women and those from a BAME background.

- Launching a pilot sponsorship programme for people from a BAME background to help them progress from pay band A into SCS posts.
- Regular succession planning discussions to help identify potential successors from non-traditional internal pathways.
- Implementing the BAME Internship and Graduate recruitment programmes.
- Extending the places on the Speaker's Parliamentary Placement Scheme for disabled people

Internally, we have introduced unconscious bias training and developed a new workplace adjustment process. We have also responded to the results of organisational wide surveys including the recent Culture survey focusing on culture and behaviours and a Wellbeing and Stress survey and encouraging positive, inclusive and respectful behaviour through 'Valuing Everyone' training.

The House champions workplace equality initiatives - including shared parental leave, flexible working and flexitime - and our excellent Workplace Equality Networks (WENs) mean we have taken significant strides to achieving a more equal work environment.

The House also annually reviews pay for staff, focusing on what steps might be taken to reduce identified disparities, as part of its pay policy.

Our [Diversity and Inclusion strategy](#) has set ambitious objectives for the next three years for ensuring equality within the House of Commons Service . In delivering this, we will continue to collaborate with the House of Lords and Digital Service on D&I activities as well as working with expert stakeholders. A steering group will be monitoring the action plan to ensure progress is made.

While reporting pay gap figures is important, we recognise the need to look behind the numbers, and form clear, targeted action plans to address them. The ethnicity pay gap figures and our expectations to deliver on cultural transformation, in particular, illustrate the extent of the work still to be undertaken to address the inequality that many BAME colleagues experience in their everyday working lives at Parliament.