



Department for  
Business, Energy  
& Industrial Strategy

# BEIS GENDER PAY GAP ANALYSIS REPORT

1 April 2016 – 31 March 2017

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## 1. Introduction

Earlier this year, 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 the relevant organisations to publish their gender pay gap data by 30 March 2018, including 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.

The Department for Business, Energy and Industrial Strategy (BEIS) supports the fair treatment and reward of all staff irrespective of gender.

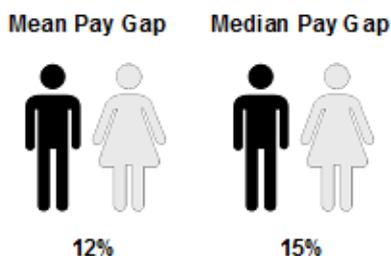
This report sets out where BEIS fulfils the department's reporting requirements, analyses the figures in more detail and sets out what we are doing to close the gender pay gap in the organisation.

## 2. The data – BEIS and the Executive Agencies

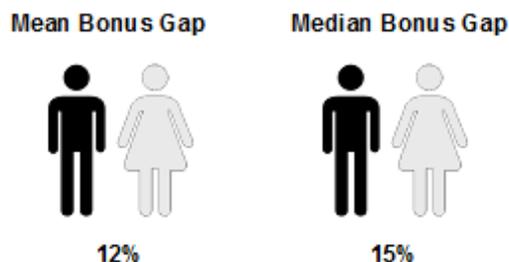
The regulations require BEIS to include its five Executive Agencies in the published figures as they are not separate legal entities. The data published on GOV.UK therefore includes Core BEIS, Companies House, the Insolvency Service, the Intellectual Property Office, the Met Office, and the UK Space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

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 12%** and a **median gap of 15%**.



The Gender Bonus Gap for BEIS including Executive Agencies is a **mean gap of 12%** and a **median gap of 15%**.



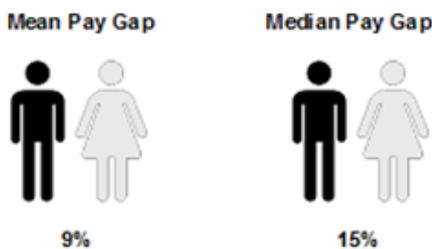
The full set of data for BEIS and the Executive Agencies is at [Annex B](#).

### 3. 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.

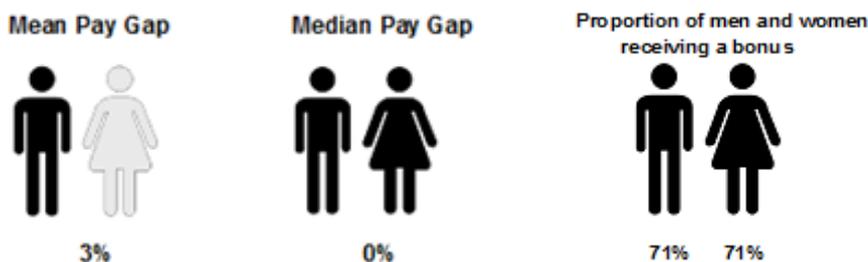
The Department for Business, Energy and Industrial Strategy (BEIS) was created as a result of a merger between the Department of Energy and Climate Change (DECC) and the Department for Business, Innovation and Skills (BIS), as part of the Machinery of Government (MoG) changes in July 2016.

#### Core BEIS gender pay gap



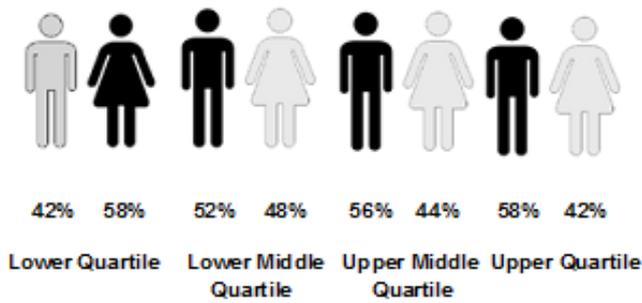
BEIS uses Civil Service grades ranging from Administrative Assistant to Senior Civil Servant and the figures in this report are based on these grades. Grades vary according to the level of responsibility that staff have. Each grade has a set pay range with pay gaps between grades. The gender pay gap figures for Core BEIS are a **mean gap of 9%** and a **median gap of 15%**. When pay is compared by grade, the gap reduces.

#### Bonus pay



The department offers both in year and end year performance awards, as well as gift 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 no pay gap between men and women using the median average but a gap in favour of men of 3% when using the mean. This is likely to be due to the level of performance award increasing for higher grades, and that currently more men occupy higher grades in Core BEIS. An equal proportion (71%) of men and women received a bonus in the year.

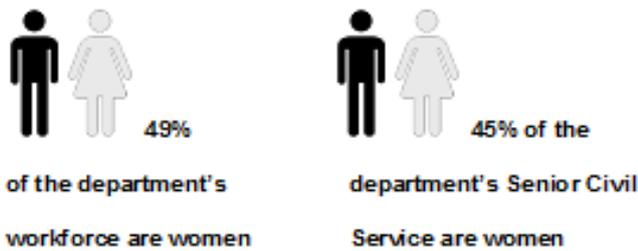
## Pay by quartiles



Women make up 58% of the lower quartile of BEIS pay and 42% of the upper quartile. As 49% 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 are made up of 45% women, whereas women make up 53% and 62% of the most junior AO and EO grades.

The full set of figures for Core BEIS is set out in [Annex A](#).

## Gender make-up of the department



Grade	Female	Male
SCS	45%	55%
G6	49%	51%
G7	44%	56%
SEO	46%	54%
FS	46%	54%
HEO	50%	50%
EO	62%	38%
AO	53%	47%
<b>Grand Total</b>	<b>49%</b>	<b>51%</b>

The data indicates the main reason for the gender pay gap is that there are more men in higher grades. The core department (excluding agencies) had a gender split by grade as above on 31 March 2017.

Women are over represented in more junior grades where pay is lower, and under-represented in more senior grades. Further detail on the grade balance in the core department can be found at [Annex C](#).

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. An example would be the Oil and Gas sector, where more men are in roles where an additional allowance is payable. Further work would be required to investigate this fully, but we understand this is reflective of the wider employment market for this sector (where similar organisations seem to have a gender imbalance).

## 4. Organisational context

The data for Core BEIS in these calculations is based on BEIS employees at 31 March 2017. It should be noted that, at the time of extracting the data, the department was running two different pay structures, due to the merger of former BIS and former DECC in 2016. From 1 April 2017, BEIS moved to a single pay structure.

It is also worth noting that the BEIS Legal Department formed part of BEIS on 31 March 2017 and is included in the figures, but is now part of the Government Legal Department.

## 5. Closing the gender pay gap

BEIS is committed to reducing the Gender Pay Gap, and has introduced a range of measures to address this which are set out below. The department knows there is more to do though, and will be regularly reviewing our approach to ensure it is as effective as possible.

The **BEIS Diversity and Inclusion (D&I) strategy** was launched in February 2017, and sets out the department's commitment to achieving and advancing equality. This includes an action plan to help us embed D&I in our internal and external policies and practices, review performance management, talent development and recruitment processes, and expand our D&I goals and targets. We have already begun publishing quarterly diversity data on the staff intranet to hold ourselves to account and to analyse representation of women across the department, particularly at senior levels.

### Recruitment, retaining and developing a diverse workforce

External recruitment is carried out under Civil Service Commission Principles; recruitment must be based on fair and open competition and successful candidates selected on merit. We also operate:

- Mandatory mixed gender sift and interview panels
- Anonymous sifting
- Unconscious Bias training is a pre-requisite for all sift and interview panel members
- Use of specialist recruitment channels to advertise jobs at all levels and encourage a diverse pool of applicants

We are also working on:

- Full equality assessments of job specs before they are advertised, including effective use of tools such as a 'Gender decoder' for adverts to assess how masculine or feminine the language in the advert is
- Embedding diversity and inclusion into all stages of the recruitment process through our 'Inclusive by Design' approach
- Analysis to establish the scale of and the reasons why women leave the organisation

### Progression

The department offers a range of support and development opportunities for women, including a Women's Network and a senior Women's network, 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 staff 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 staff from under-represented groups to apply.

The Talent team in BEIS is also currently developing internal programmes to support staff including:

- **Aspiring Leaders programme**, aimed at HEOs and SEOs with the potential for progression but who have limited line management/leadership experience (selection process underway; programme to be launched in February 2018)
- **Interdepartmental Talent Partnership**, aimed at Grade 6/7s who are unsuccessful in applying for the FLS (to be launched in February 2018)
- the **Windsor Leadership Trust programme**, aimed at Deputy Directors who are unsuccessful in applying for the SLS (to be launched in February 2018)

We are also working on:

- We held an SCS Women's event in November 2017 to discuss the issues that women face in their careers and in the workplace. This will help to **develop an action plan** focussing on recruitment and retention of women in BEIS, as well as **removing barriers to progression**.

## Performance management

We have been engaged in an organisation wide staff consultation on **performance management** as part of our Transformation Programme. Some key areas of this consultation have been with our diversity networks on how to create a fairer, more transparent and unbiased approach to performance management. A clear focus on diversity and inclusion is in both our project design principles and the framework guidelines created by Cabinet Office.

We are also working on:

- Examining the performance management outcomes for 2017/18 for people declaring a disability and older workers as well as **all our diverse groups**.

## Pay systems

Senior Civil Servants (SCS) in BEIS are covered by senior pay arrangements and controls which apply across the Civil Service.

Grades below SCS are covered by the departmental annual pay award. For the reporting period (1 April 2016 – 31 March 2017), staff were subject to two separate pay awards (DECC and BIS).

We are also working on:

- Exploring the impact of the first BEIS pay award implemented on 1 August 2017 for staff below SCS and using the outcomes to shape future decisions as we seek to reward our people and take action to reduce discrepancies
- Reviewing the starting salaries of new joiners to establish the impact this is having on the pay gap

## **Family friendly**

The department offers family friendly policies including flexibly working, maternity, paternity and parental leave. We also offer job share and part time opportunities.

We are also working on:

- Our Employee Value Proposition (EVP) to communicate our range of benefits to current staff and also prospective employees
- Embedding a culture in BEIS where family friendly policies are not only offered, but normalised in working practices.

## **6. Declaration**

We confirm that the calculations have been carried out in line with the regulations.

## Annexes

### Annex A – Core BEIS figures (excluding Executive Agencies)

#### Mandatory Gender Pay Gap Figures

<b>Snapshot date</b>	31/03/2017
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<b>Gender pay gap (in favour of men)</b>	<b>%</b>
<b>Mean gender pay gap - Ordinary pay</b>	9%
<b>Median gender pay gap - Ordinary pay</b>	15%
<b>Mean gender pay gap - Bonus pay in the 12 months ending 31 March</b>	3%
<b>Median gender pay gap - Bonus pay in the 12 months ending 31 March</b>	0%

<b>The proportion of male and female employees paid a bonus in the 12 months ending 31 March:</b>	<b>%</b>
<b>Male</b>	71%
<b>Female</b>	71%

<b>Proportion of male and female employees in each quartile:</b>		
<b>Quartile</b>	<b>Female %</b>	<b>Male %</b>
Lower quartile	58%	42%
Lower middle quartile	48%	52%
Upper middle quartile	44%	56%
Upper quartile	42%	58%

\* 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 – BEIS group figures (including Executive Agencies)

### Mandatory Gender Pay Gap Figures

Snapshot date	31/03/2017
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Gender pay gap (in favour of men)	%
Mean gender pay gap - Ordinary pay	12%
Median gender pay gap - Ordinary pay	15%
Mean gender pay gap - Bonus pay in the 12 months ending 31 March	12%
Median gender pay gap - Bonus pay in the 12 months ending 31 March	15%

The proportion of male and female employees paid a bonus in the 12 months ending 31 March:	%
Male	80%
Female	76%

Proportion of male and female employees in each quartile:		
Quartile	Female %	Male %
Lower quartile	60%	40%
Lower middle quartile	46%	54%
Upper middle quartile	40%	60%
Upper quartile	39%	61%

\* bonus data for IPO excludes in year bonus data as this was not available at the time. The data is being recorded for next year.

\* 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 C – Core BEIS grade balance (excluding Executive Agencies)

One of the main contributing factors to the BEIS pay gap is the gender balance at different grades. This table shows the proportion of men and women at each grade.

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	61 (4%)	70 (5%)	53%
EO	124 (8%)	203 (14%)	62%
HEO/SEO	538 (34%)	501 (34%)	48%
Grade 6/7	719 (46%)	604 (41%)	46%
SCS (centrally managed)	125 (8%)	101 (7%)	45%
Total	1,567	1,479	49%

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
AA/AO	62,688 (34%)	86,861 (40%)	58%
EO	48,308 (26%)	62,463 (29%)	56%
HEO/SEO	51,003 (27%)	47,846 (22%)	48%
Grade 6/7	22,566 (12%)	18,801 (9%)	45%
SCS (centrally managed)	2,466 (1%)	1,771 (1%)	42%
Total	193,100	226,380	54%

\* SCS data from Cabinet Office SCS database. Other data from ONS's Civil Service Statistics 2017. Both as at 31/03/17.



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