

Revenue and Customs Digital Technology Services



Gender Pay Gap Report 2017

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Overview

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 for workers in scope.

The regulations that underpin the Public Sector Equality Duty require relevant organisations to publish their gender pay gap data annually, 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.

This report fulfil RCDTS' reporting requirements, analyses the figures in more detail and sets out what we are doing to close the gender pay gap in the organisation.

RCDTS Gender Pay Gap report 2017

This report gives the gender pay gap data in RCDTS as at 5 April 2017.

For salaries we used a snapshot date of 5 April 2017.

For bonuses we used the period 6 April 2016 to 5 April 2017, the 12 months before the snapshot date.

The Gender Pay Gap data supplied relates to all staff in post with RCDTS on 5 April 2017 (subject to the exclusion of staff who were not 'full pay employees' for the purposes of calculating mean and median pay). The results are at Annex A.

In RCDTS there were 485 staff in post. Our gender balance at this date was:

- Women: 89 (18%)
- Men: 396 (82%)

Due to staff entering the organisation via TUPE with protected pay and terms and conditions from more than one organisation as well as staff being recruited directly into RCDTS, staff are on a variety of terms and conditions; resulting in different salaries and bonus arrangements. RCDTS have used widely-recognised methodology to grade roles. All posts now sit within one of seven levels (grades), and grades A to G have an associated pay range consisting of a minimum and maximum rate. Grades A-C are combined. The grading exercise was underway at the snapshot date so information could not be provided by grade this year. Salaries are paid according to terms protected under TUPE, and for new staff, according to role. Annual pay awards are paid irrespective of gender. Last year's pay award was a flat amount, rather than a percentage so it did not favour those paid more.

Our headquarters are in London. However RCDTS also have offices in Telford, Newcastle, Worthing and Southend. There is a single pay range in use.

For pay purposes we are governed by public sector pay guidance, which HM Treasury has overall responsibility for. This defines the overall parameters for public sector pay uplifts each year in the pay guidance, to ensure that public sector pay awards are consistent with the government's overall objectives.

Our annual pay award currently comprises two elements:

- A consolidated award paid to all eligible staff (subject to performance).
- A non-consolidated award linked to exceptional performance against objectives.

Bonus payments are made to staff in RCDTS in a variety of ways. An element of this is based on end of year performance as described above. Some is based on in-year performance. Staff can also be nominated to receive £20 vouchers.

Gender Pay Gap data

There are 12 entries which were excluded from Hourly Rate calculations as they were not a "full pay relevant employee" for all of the month leading up to 5 April 2017. This is because they were either not being paid or were on reduced, statutory or nil pay at any point during March.

For quarterly pay range information 118 staff were in quartile 1, 2 and 3 whilst 119 were in quartile 4.

Base pay

The mean hourly rate for women is £16.27

The mean hourly rate for men is £17.06

Mean gender pay gap is 4.6%

The median hourly rate for women is £15.38

The median hourly rate for men is £16.95

Median gender pay gap is 9.3%

The distribution of our workforce drives our mean and median figures. We are improving our diversity, including through our recruitment practices, but in April 2017 the workforce which RCDTS had largely inherited under TUPE only comprised of 18% women.

We are committed to offering roles on flexible working patterns, including a range of options such as part-time working, alternative working hours, home working and shared parental leave.

Bonus (Non-consolidated) payments

Our mean bonus gap is 2.2% in favour of men.

Our bonus systems are gender neutral by design.

The bonus gap is affected by two main factors:

- All end of year performance payments were paid irrespective of grade with higher values paid to staff who received higher performance ratings and no payments made to staff who received the lowest performance ratings.
- The legislation requires the inclusion of year-end performance bonuses which have been pro-rated for staff who work reduced hours, of which 53.9% of whom are women.

We are committed to the principle of equal pay for all employees. We have pay and conditions of employment that do not discriminate unlawfully and are free from bias. We use an objective job evaluation system to provide evidence to determine the allocation of roles within our grading structure.

Actions

- **Fair treatment**

RCDS supports the fair treatment and reward of all staff irrespective of gender. We have pay and conditions of employment that do not discriminate unlawfully and are free from bias.

- **Objective job evaluation**

RCDS uses a job evaluation system to assess the relative value of jobs across the organisation, and this provides evidence in support of the allocation of jobs within our grading structure.

- **Diversity and inclusion**

RCDS is embarking on a programme of work on diversity and inclusion through various initiatives, including further sharpening the focus on diversity and inclusion in our recruitment practices.

- **Flexible working**

We will continue to support staff who wish to work more flexibly, across all grades. Most roles are available as job-share, reduced hours, or flexible working patterns.

Written Statement

Our calculations followed the legislative requirements¹, and we confirm the data reported is accurate. All staff who were deemed to be full paid relevant employees were included. However contractors were not, as the vast majority were not in scope according to the regulations, or there was insufficient data. We aim to include this data for future calculations.

Hannah Watson

RCDTS Director

21 December 2017

¹ <https://www.gov.uk/guidance/gender-pay-gap-reporting-make-your-calculations> [Accessed 1 November 2017]

Annex A

2017 RCDTS Overall Gender Pay Gap Results

		%
1. Mean gender pay gap - Ordinary pay		4.6%
2. Median gender pay gap - Ordinary pay		9.3%
3. Mean gender pay gap - Bonus pay in the 12 months ending 5 April		2.2%
4. Median gender pay gap - Bonus pay in the 12 months ending 5 April		0.0%
5. The proportion of male and female employees paid a bonus in the 12 months ending 31 March:	Male	42.7%
	Female	53.9%
6. Proportion of male and female employees in each quartile.		
Quartile	Female %	Male %
First (lower) quartile	16.1%	83.9%
Second quartile	22.9%	77.1%
Third quartile	16.9%	83.1%
Fourth (upper) quartile	15.1%	84.9%

	Total Staff
Female	89
Male	396
Total	485