



GENDER EQUALITY AT THE BBC

Summary

The BBC is committed to equal pay. We cannot, and will not, discriminate on the basis of gender, race, disability, social background or any other characteristic. But, as in any organisation, that does not mean everyone is paid the same. People bring different skills and experience, and take on different responsibilities or risks. But we must apply those factors fairly, transparently and without discrimination.

Last July, we published the names of our highest-paid on-air presenters working for the BBC. That began a public debate about the BBC's gender balance and pay policies. That debate has taken place against the background of what is a watershed moment for women in the workplace, when issues around pay, harassment, representation and power at work have fundamentally – and rightly – changed the context in society more broadly. All employers will have to seize this moment to fix the mistakes of the past and to be stronger organisations in the future. For the BBC, this is a great opportunity to lead the way.

We have already done a lot. Last October, we were among the first to publish our gender pay gap – the difference between average pay for men and women. At 9.3%, that was lower than the national average of 18%. Going further than others, we also published an independent equal pay audit. That showed no systemic pay equality issues among our 18,000 staff. Where there have been individual cases, we have looked at those and want to resolve them as quickly as we can.

We have now reviewed the 4% of BBC staff who are on-air presenters, editors and correspondents in news and news-related areas – 824 individuals. That has identified some things we want to put right. For this community there is a 6.8% gender pay gap, lower than the 9.3% BBC average. But in lower-profile roles, the gap is 12.6%, driven mainly by broad pay ranges and by the mix of men and women at different levels, particularly among our correspondents.

And for the 168 people appearing on our highest-profile output the range of pay is much too wide; the pay at the top is too high; and, at the very top of the range, there are more men than women.

This is because we have taken a programme-driven approach to managing talent. Some pay was set when the news market was stronger and was sometimes driven by work outside news. We did not have a systematic process of review that could correct these issues over time.

We want to act, and quickly, to create a fairer, equal BBC for everyone, including our most senior on-air journalists. So we will take the following five actions:

1. On air, there will be substantial pay cuts for some men; and pay rises for some men and women
2. We will create a new framework for determining the pay of people on air, to match that already created for the rest of BBC staff. It will have narrower pay bands; much simpler contracts and allowances; and clear criteria for how pay reflects skills, experience and audience impact
3. We want to be the most transparent organisation when it comes to pay. When our reforms are complete, everyone will be able to see the pay range for virtually every job in the BBC. Where there are more than 20 people in a job, staff will also be able to see where everyone else is positioned. We will do more to explain the pay of each presenter paid over £150k, especially where they do more than one role
4. We will review the progression of women in the BBC, looking at working practices and support for women returning to work. We want more women to progress more quickly in the BBC
5. We will accelerate progress towards equal representation of men and women at all levels on air, and also towards closing the gender pay gap by 2020. There will be significant moves this year towards this ambition.

We have already been consulting our unions and talking with some of our presenters. We now want to open that up to everyone directly affected by our proposals. Together, we want to build a BBC that is a standard-bearer for equality, and that truly reflects the diversity of this country.

The rest of this paper outlines our commitment to equal pay; our progress so far in addressing these issues; the findings of our on-air review; our initial response to those findings; and our commitments to transparency and consultation.

I. The BBC and equal pay

The BBC is committed to equal pay. We cannot, and will not, discriminate on the basis of gender, race, disability, social background or any other characteristic. But, as in any organisation, that does not mean everyone is or will be paid the same.

Where people are doing the same work or work of equal value, people should be paid the same – unless there are factors that can justify a difference. Because, as the Equality Act makes clear, there can be good reasons for people to be paid differently. For instance:

- People can bring different skills
- They can have different levels of experience
- They can have a different market value, for instance because of location
- They can take on different levels of responsibility or risk
- We can ask them to work in different ways.

But we must demonstrate that those factors are applied fairly, transparently and without discrimination. We must be open to scrutiny when people challenge whether that is happening. And because we are funded by the public, we must ensure we are spending our money wisely.

To be confident that we can answer that challenge, we have had to tackle a number of long-standing issues inside the BBC as part of our programme of modernisation. This is work that has been going on for the last three years.

For a long time the BBC had too many job titles – over 5,000 different job titles and job descriptions. This created a complex and bureaucratic system which was unclear to everyone, difficult to operate and hard to measure against the external market. It made career planning difficult and it made recruitment more complicated. It made obtaining and comparing data about people's pay consistently across the BBC much harder than it should have been.

This is linked to another issue: the terms and conditions by which we employ people look increasingly outdated. For years, we had many different contracts for staff with a variety of different allowances – for instance, two different kinds of London Weighting. We had many different ways of organising shifts and rotas, which made it harder to be sure we were being fair across and within teams, and difficult to increase the flexibility of the organisation. All this we are now proposing to change.

Another reason why pay has become such an emotive issue inside the BBC is that decisions had been taken in a decentralised way within divisions or programmes. There was a lack of transparency in the way those decisions were made. That meant that individuals did not understand why they were paid what they were paid. As a result, people had no way to know if they were being treated fairly. And we were not able to check that we were being fair and consistent across teams and programmes.

2. Progress so far

We began working on these issues in 2015. We were determined to bring much greater simplicity and transparency to working at the BBC.

Last October, we completed work on implementing a framework to do this – called the Career Path Framework – and published it to staff. It reduces 5,000 job titles to around 600. It gives around 18,000 employees at the BBC a clear career structure and a pay range for each job. That pay range is informed by reference to the external market. Staff can see where they sit within each range and, in the jobs with more than 20 people, where all the rest of the individuals doing that job are situated in an anonymised format. We are currently consulting on the pay ranges involved as part of our work with the unions on modernising our terms and conditions. This is a major move towards a much more transparent system of pay.

Alongside this, we carried out a separate review into pay at the World Service, for those working mainly off air. As a result of this, we have reviewed pay for these jobs to encourage staff to move across the whole of BBC News and build their careers and expertise. Again – a much more consistent and transparent way of working for the future.

This new Career Path Framework – covering 96% of BBC graded staff – and its associated job pay ranges have highlighted some things we need to change. We are proposing that if people are below the bottom of the pay range for their job, they should shift automatically into it. If people are above both their pay range and their broad career level, their base pay should be frozen.

Alongside this work, last October we were one of the first big institutions to publish our gender pay gap. Going further than others, we published alongside it an equal pay audit carried out by PwC, legal advisers Eversheds Sutherland and independently assured by a former Appeal Court Judge, Sir Patrick Elias QC. That independent audit gave us the evidence to be confident that there is no systemic discrimination against women or black, Asian or minority ethnic staff in the BBC's pay arrangements for the overwhelming majority of staff.

But this did not mean that we were free from individual issues of unfairness among our staff. The information published in the framework gave staff and managers, for the first time, the information needed to review and question individual pay. Since July, around 230 individual cases have been raised by both men and women. We have addressed close to half of them and are working through the rest with the people concerned. We want to resolve all of them as quickly as possible.

We think we can manage this more consistently in the future. That is why we have also proposed formal Fair Pay Reviews where every manager sits down, twice a year, with their HR lead to look at the pay of their staff. This is a new way of working, and we will make sure these reviews become part of our normal cycle of work each year. Where they identify issues, we will address them.

The result of all this work is that we believe we are in a much stronger position to implement a pay approach that meets our Fair Pay Principles: that is fair, consistent, competitive, clear and, above all, transparent. We want to demonstrate clearly that our approach is operating in this way.

So a new framework is in place for 18,000 staff, out of which around 230 individual cases have been raised. That sets the context for our new analysis of the highest-profile on-air community.

3. The BBC's on-air community

The BBC is an organisation that is full of talent. Every member of staff, and our broader community of freelancers, contribute in many different ways to the programmes and services our audiences love. At the forefront of that relationship with the public are the presenters, reporters and contributors that are on air every hour of every day. They are the front line: the faces and voices of the organisation for tens of millions of people every day. Our on-air community challenges those in power on the public's behalf. They do so without fear or favour, including when it is the BBC itself that is under scrutiny and the subject of national debate.

The BBC has a great range of on-air faces and voices. They are on duty in the small hours of the morning and they present our biggest peak-time bulletins. So within this group there are a great variety of jobs and many different kinds of engagements. That means there will be different ranges of pay.

For many years outside news, we have operated a tried and tested fee framework. 'Artiste engagements' under this framework are tied to individual commissions. The fees are based on the programmes we commission rather than being related to job descriptions. The individuals involved very often work for a number of organisations, not just the BBC. They can work for both the public service BBC and our commercial subsidiaries. Most engagements are short-term, based on the cycle of programme commissions, which means that we are constantly contracting individuals for different engagements. As a result, fees can go up and down – these markets are often very competitive, very dynamic and fluid. BBC business teams use their skills, experience and market knowledge of rates across the industry to set fees.

The framework has been independently reviewed twice by Oliver & Ohlbaum for the BBC's then governing body, the BBC Trust. We review this framework routinely to make sure it reflects market data properly, uses consistent criteria to assess value to audiences and is being applied consistently.

However, the distinction between news, news-related areas and non-news roles is not always clear-cut. There are fine judgements to be made around some programmes on Radio 4, for instance. We would like to consult on this, and we are open to views on where the boundary should be drawn and how it should be kept under review.

We have also been working on a new approach to the pay of our on-air presenters, editors and correspondents in news and news-related areas. This review, supported by PwC, has covered 780 staff members – around 4% of BBC staff – and 44 freelancers in news and news-related areas, whose initial findings we are publishing today. While we understand that the delay in this particular review has caused frustration to those involved, the issues it is dealing with are very complex.

Firstly, it involves different kinds of employment contracts, different working practices and different approaches to pay, as well as different market conditions and individual circumstances. The individuals involved sometimes do not just work in news but work across the BBC and sometimes for other media organisations.

Secondly, the individuals involved are often much more closely linked to particular programmes. Their personal qualities play a vital role in holding the trust of our audience. They sometimes represent the BBC itself. All of this means it is much more difficult to apply a normal pay framework to this group.

So this work has taken time to do properly, but today we are setting out what we have found so far so that we can consult meaningfully on our findings.

4. The on-air review's findings

Analysis of the data across the 824 people covered by the review has not found any evidence of pay decisions being based on gender. There is a 6.8% gender pay gap – the difference between median pay for men and women. This is lower than the BBC average of 9.3% and the national average of 18%.

However, the more detailed analysis has revealed some issues to resolve, and that we need to have a single, consistent pay framework to use across the group. In lower-profile roles – 656 of the 824 – the gender pay gap is 12.6%, driven mainly by broad pay ranges and by the mix of men and women at different levels, particularly among our correspondents.

And at the top of this group there are 168 people who appear on our highest-profile output. 43% of this group are women, similar to the proportion of female senior leaders at the BBC. Here, we have found three common themes. Firstly, the range of pay is much too wide. Secondly, pay at the top is too high. Thirdly, right at the top of the range, there are more men than women.

There are a number of reasons for this.

Our highest-profile news presenters are often the public face of the BBC, and sometimes over a very long period. They are highly trusted and respected. However, over that period those highest-profile, longest-serving names have tended to be men. Individuals could build their profile through BBC News and then take on work in other areas. That additional value then fed back into pay in news. It was reinforced by regular offers from external competitors at a time when we were reluctant to let people leave the BBC to work exclusively for others.

So some of the pay rates in this group were set by reference to a different market context – both because of work outside news and when the news market itself was strong.

But while the cost of talent in television, for instance, has continued to rise sharply, the news market is not as strong as it was, and that has left some pay rates too high. These are deals that do not necessarily stand the test of time. And while the span of pay within different groups of programmes could be justified some years ago in a very different environment, these ranges now look uncomfortably wide. This is particularly true at a time when we are making substantial savings in BBC News, and when pay restraint has slowed pay progression for both men and women.

Additionally, the BBC's devolved, programme-driven approach to decision-making led to pay that made sense within individual programmes, but was not always consistent across the group. For example, we were not always consistent in the different value we placed on different programmes, or those judgements did not always keep pace with changes in audience value. We used too many different contracts and allowances across the group.

Finally, the lack of pay reviews meant there was no regular opportunity to address these issues unless a question was raised by an individual.

All of this meant we were not always able to explain to individuals why particular decisions on pay had been made. This, in turn, led to a lack of trust in individual decisions and individual managers.

5. Our initial proposals

To address these issues, we are making some initial proposals today. All these proposals are open to consultation and change.

We want to use the existing Career Path Framework for our approach. It is clear and transparent.

The great majority of jobs covered by the on-air review – 656 of the 824 – can be mapped straight into the framework. Individuals whose full-time equivalent salary is below the bottom of the new pay ranges will be brought within them. This will disproportionately improve pay for women as it is more common to find women in roles at the lower end of the current pay ranges. These proposals are subject to consultation, but we think they will affect just under 200 people and should reduce the gender pay gap in this group to be closer to the BBC average.

The remaining group of 168 have the highest profile by nature of the work they do and the programmes they work on. The level of profile and seniority of this group mean there are a variety of different roles involved. To define a set of jobs for this group, PwC recommends a bespoke approach that fairly recognises the impact of the output they are working on and what this means for the size, complexity and level of responsibility they take on for the BBC. So we have developed a framework that has clear jobs supported by consistent criteria for how we value different programmes, different skills, different specialisms and audience impact.

Those pay ranges will be narrower than today. As a result, some people have already had pay rises. Others have already agreed pay cuts. Progress in this area will be published in our Annual Report this July.

In addition, we will reduce the number of contracts we use. We will also reduce in number and simplify the allowances we have. We will manage this community as a group so we can support career development, make sure we are being consistent with contracts and pay levels, and improve communication.

And when we have completed this work we will rerun an equal pay audit for the whole BBC.

There is much more in PwC's findings, which we are making available to all staff. We want this to be an aid to the conversations we are now having.

6. Accelerating progress to equal representation of men and women

Of course, equal pay is a priority. But we must also move faster on changing the mix of our staff.

Like every organisation, our workforce is hired and has developed over a period of many years, which is why it takes time to change. But over the last few years, we have accelerated progress. 48% of BBC staff are women. 42% of senior leaders are women.

We have committed to close our gender pay gap by 2020 – the only major organisation to do so in the public sector, government, the media and any other large professional company. We are already taking steps to make this commitment real.

We have changed the way we work and support our staff to make progress faster. We now always aim for shortlists that include men and women, and over the last few months this has been achieved in the overwhelming majority of recruitment campaigns. Where possible, interview panels must include both men and women. All BBC staff will have training to help avoid unconscious bias.

We already provide generous support for individuals to return to work after career breaks and are rolling out training to make sure managers know how to put it into practice. We want to go further: to provide up to 18 weeks of shared parental leave at full pay and up to two weeks of paternity leave at full pay. But to make sure we have policies that are among the best in class and are implemented consistently, we will do a thorough review of the progression of women in the BBC, looking at our policies, our culture, our training and our track record in implementation.

This will help us reach our stretching targets for the years ahead. Off air, we have set a target for 2020 for 50% women in the workforce and 50% in leadership roles. On air, our target is for 50% women on screen, on air and in lead roles across all genres from drama to news, again by 2020.

Reflecting our ambition and that of our staff to make progress on air, we have already made a number of significant changes:

- In the last four years, over 60% of the high-profile talent we have hired or promoted are women
- Half our local radio breakfast shows have women presenters
- Close to half the presenters across the major Radio 4 news programmes are women
- The 50:50 gender project in News has encouraged over 50 programmes so far to improve gender balance for everyone who reports and analyses the news in those programmes
- The BBC's Expert Women programme – running since 2013 – trains female experts who would like to appear on air as contributors. By the end of March, the programme will have trained 240 women. To date, more than 75 women have made 250 appearances on TV and Radio across broadcasting as a whole
- Every part of the BBC is making changes to increase the proportion and prominence of women on air, from TV drama (e.g. Doctor Who) to Radio 2 (with the new changes to daytime).

As we continue to change and modernise the BBC, we want to make two commitments to our staff. Firstly, we will lead the way in transparency. Secondly, we will be more open and consultative.

7. Leading the way in transparency

Increasing transparency will help build trust. In fact, we believe that we are one of the most transparent organisations in the UK.

- There is more public information available about the BBC than any other broadcaster, from National Audit Office reports, to audience data published in the Annual Report, to statements from our commercial subsidiaries, to information in Government accounts
- In our Equality and Information report we publish a great range of detailed data about our staff, covering age, disability, ethnicity, gender, religion and belief, sexual orientation and gender identity, socio-economic background, cut by BBC division, senior leaders, grade, leavers and joiners, internal moves, contract type and length of service
- We publish the expenses, register of gifts & hospitality received and any declarations of personal interests of our senior managers
- We now publish the names of senior managers, on-air talent and contractors working for the BBC and paid more than £150k from licence fee revenue in a financial year, set out in bands of £50k
- We publish details of all on-air talent by spend and volume of contracts in bands.

But we want to go further.

The Career Path Framework now adds a new level of transparency around career structures and pay ranges for each job. So in future, when anyone is offered a job at the BBC or a promotion, we will provide them with the pay ranges for that job. This will include the on-air group of presenters, editors and correspondents. Where there are more than 20 in a role, staff can see where all the other individuals doing that job are positioned. Later in 2018, after our reforms are agreed, we will publish those pay ranges to everyone in the BBC.

In July we will do more to explain the pay of each presenter paid over £150k, especially where they do more than one role. This will help everyone to make better-informed comparisons.

8. Being more open and consultative

We have been talking to our unions about terms and conditions, the Career Path Framework and the on-air review for some time, and that will continue. That involves formal consultation and negotiation across a wide range of issues.

We have been listening to staff and on-air presenters through informal focus groups, representative groups and conversations with individuals. We also asked Change Associates, an external body, to run a series of focus groups for on-air staff in which they could express their views and concerns. They have reported back the common themes and ideas to the Executive Committee. These themes include:

- The need to build greater trust through transparency and honest conversations
- The need to increase communication around the on-air review and the involvement of staff in the review itself
- The opportunity to be clear about the set of criteria and processes that are used to set pay in this group, and how those avoid conscious or unconscious bias
- The importance of managers at the BBC embracing this reform and having the tools and training to have robust conversations about pay.

All these consultations and discussions will continue. None of the proposals outlined today is final – all are open to input before being finalised. While not everyone may like everything they hear from us through this process, we promise to listen to all the feedback fairly and openly.

But we need to have a better dialogue. We recognise that people are eager to hear the outcomes of this work on pay fairness. We know that many of you want this process to be more open and consultative. And we hear clearly that the time it has taken to undertake this complex work has been frustrating.

So we will consult in the following ways:

- We have been consulting with our unions for some time and that will continue
- We are starting a new programme of consultation sessions with our on-air staff where we will outline these proposals and the draft framework we are proposing to use in more detail
- We will consult staff and freelancers involved on the boundary between news and non-news roles
- In the next few days, we will begin to engage individually with everyone directly affected by our proposals to help shape them and so people can understand the personal implications involved
- We will continue to talk to representative groups of staff.

We will then develop a final set of proposals, on which we will seek the independent input and oversight of Naomi Ellenbogen QC, who is Vice Chair of the Bar Standards Board as well as a Deputy High Court Judge. This will enable her to consider both the BBC's proposed approach and the responses received from staff before providing her input.

We would ask you to take the time to absorb the work that has been done so far and we look forward to discussing it across the BBC so we can shape its future direction together.

We all believe in a BBC that is a standard-bearer for equality, an exemplar for public service values, and that truly reflects the diversity of this country. We ask for your help in putting those ambitions into practice.

Tony Hall
Director-General

Anne Bulford
Deputy Director-General