

1 September 2016

Re: FOI request

Thank you for your request for information under the Freedom of Information Act, which we received on 3 August 2016.

You requested the following information:

Please provide figures for full-time equivalised annual basic salaries in response to the questions below:

- * Please disclose the mean earnings for male employees and the mean earnings for female employees for the most recent year for which you have figures and please state the dates to which it refers;
- * Please disclose the median earnings for male employees and the median earnings for female employees for the most recent year for which you have figures and please state the dates to which it refers;
- * Please disclose the number of male employees by quartile salary bands and the number of female employees by quartile salary bands.
- * If within the limits allowable under the FOIA, please also provide the respective figures for questions 1-3 for the preceding 12 month period, and state the end date.

We hold the information requested, which is provided in the tables at the end of this letter. However, it is worth stressing that for an organisation as small as the OBR, raw pay differentials do not provide a meaningful like-for-like comparison of pay fairness and are very volatile from year to year. Salaries at the OBR are set within ranges that reflect the responsibility of posts and the experience and expertise required of them. The OBR Board and management certainly believe that we should and do pay our female staff fairly. We are also determined to attract excellent female staff at all grades and we would not want movements in misleading metrics like these to deter us from doing so.

The pay ranges applying at the OBR in 2015-16 were as follows.

2015-16 pay ranges

	Minimum	Maximum
Range B	£18,915	£24,162
Range C	£22,498	£28,532
Range D	£28,003	£43,991
Range D2	£31,939	£45,905
Range E	£46,655	£65,794
Range E2	£55,636	£67,327
Range F *	£63,000	£117,800

** Range F is set centrally by Cabinet Office as 'Senior Civil Service Pay Band 1'.*

Comparisons of mean or median pay among male and female employees in a small organisation will be very sensitive to staff movements, as the latest data illustrate. Our staff numbers increased from 18 (15 male, 3 female) to 19 (13 male, 6 female) between March 2015 and March 2016, with the extra member of staff being at the most junior grade as we increased the number of students on placement in the team from one to two. Moreover, the one person increase in the staff team represented the net effect of five people leaving the OBR (4 male and 1 female) and six people joining (2 male and 4 female).

The raw median gender pay gap that can be derived from the figures at the end of this letter rose from 16 per cent in 2014-15 to 34 per cent in 2015-16. But that is because the number of female employees doubled over that period and the new entrants were (as new entrants usually are) predominantly in less experienced/responsible posts. So the median female employee (strictly, the average of two employees as we had an even number of female employees at the end of 2015-16) is now towards the bottom of the Range D/D2 junior analyst pay band rather than someone towards the top.

A more meaningful like-for-like comparison could be derived by looking at this gender pay gap for junior and senior analysts separately. For 2015-16, these were much smaller at 3.8 per cent and 0.5 per cent respectively.

Having stressed those caveats and the concern we have that the use of a misleading metric like this might deter our ability to recruit excellent female staff at all grades, the following tables provide the information that you have requested.

Median pay

	Male	Female
2014-15	£46,193	£38,606
2015-16	£46,655	£30,850

Mean pay

	Male	Female
2014-15	£45,310	£41,461
2015-16	£46,485	£36,563

Staff numbers by pay quartile

		Quartile			
		1st	2nd	3rd	4th
2014-15	Female	1	1	0	1
	Male	4	3	4	4
2015-16	Female	3	1	1	1
	Male	2	5	4	2

The final table shows the median full-time equivalent pay for male and female staff in our main junior and senior analyst grades as of the end of 2015-16.

Median pay by grade in 2015-16

	Male	Female
Senior analysts (Range E and E2)	£55,636	£55,377
Junior analysts (Range D and D2)	£31,587	£30,394

Note: Excludes 4 staff members in ranges B, C and F

If you have any other queries about this letter, feel free to contact OBR enquiries at obrenquiries@obr.gsi.gov.uk.

Yours sincerely,

**Freedom of Information Unit
Office for Budget Responsibility**

Your right to complain under the Freedom of Information Act 2000

If you are not happy with this reply, you may request a review by writing to OBR Enquiries, Office for Budget Responsibility, 20 Victoria Street, London SW1 0NF or by email to obrenquiries@obr.gsi.gov.uk

Any review request must be made within 2 months of the date of this letter.

It would assist our review if you set out which aspects of the reply concern you and why you are dissatisfied.

If you are not content with the outcome your complaint, you may apply directly to the Information Commissioner for a decision. Generally, the ICO cannot make a decision unless you have exhausted the complaints procedure provided by the OBR. The Information Commissioner can be contacted at: The Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF.