House of Commons

Treasury Committee

Sexism in the City

Sixth Report of Session 2023–24

Report, together with formal minutes relating to the report

Ordered by the House of Commons to be printed 5 March 2024

HC 240
Published on 8 March 2024
by authority of the House of Commons

The Treasury Committee

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Summary

The financial services industry is one of the most important sectors of the UK economy. Employing more than 2.5 million people across the UK—over 1.1 million in financial services directly and more than 1.3 million in related professional services—and supporting lots of well-paid jobs, the sector makes a disproportionately large contribution to UK GDP and its £100 billion tax contribution helps fund public services. It is vital therefore that the sector makes the most of the widest possible pool of talent to ensure it is as productive and competitive as possible.

Our predecessor Committee in 2018 highlighted the underrepresentation of women in senior positions and the large difference in average pay between men and women in the well-paid sector. It identified a range of barriers faced by women in financial services that contributed to this gender inequity, including poor workplace cultures, unconscious bias and the impact of maternity leave and childcare. The report made a range of recommendations aimed at reducing these barriers and improving gender diversity.

Five years on, we launched our current inquiry into Sexism in the City to find out how much had changed. Disappointingly, the answer appears to be "not much".

Many of the barriers identified in 2018 remain stubbornly in place. We heard that many firms still treat diversity and inclusion as a 'tick box' exercise rather than a core business priority, despite clear evidence that diverse firms achieve better results. There have been only incremental improvements in the proportion of women holding senior roles in financial services firms, and some sectors have seen no improvement at all. Similarly, there has been only a small reduction in the average gender pay gap in financial services, which remains the largest gender pay gap of any sector in the UK economy.

It is shocking to hear how prevalent sexual harassment and bullying, up to and including serious sexual assault and rape, still are in financial services, and how poorly firms handle allegations of such behaviours. We were particularly concerned to hear of the widespread misuse of non-disclosure agreements (NDAs), which have the effect of silencing the victim of harassment and forcing them out of an organisation, while protecting perpetrators and leaving them free to continue their careers and go on to abuse others.

As in 2018, the overarching problem behind all these issues is that of impunity for perpetrators and culture, and the limited progress since 2018 can largely be ascribed to a lack of cultural change in the sector.

First and foremost, responsibility for tackling these issues and driving much-needed cultural change has to sit with the senior leadership and boards of firms. Firms need to consider what diversity and inclusion initiatives will have most impact, drawing on best practice from those that are achieving success, and implement those initiatives with the same rigour as other core business priorities. Firms should see success in this area as not only a moral imperative but a competitive advantage in the attraction and retention of talent. Investors also have a key role to play in holding firms to account for their performance on diversity and inclusion and pushing for greater change.

Firms also need to embed a zero-tolerance culture towards harassment and bullying in the workplace. They should ensure there are robust processes in place to investigate allegations of harassment, with perpetrators of abuse, rather than their victims, suffering negative consequences. Men need to take a more active role in challenging and reporting sexual harassment by other men, as well as in improving cultures more broadly.

Looking beyond industry, the Government and financial regulators have important roles to play in driving change and combatting sexual harassment and bullying. A workplace should be a safe place for all employees to flourish. The elimination of sexual harassment including serious sexual assault, and bullying, should be a minimum standard expected to be guaranteed across the sector. It is a source of deep concern to us that this has not yet been achieved. This needs to be addressed and urgently.

Two of the Government's flagship initiatives on gender equality are the gender pay gap reporting regulations introduced in 2017 and HM Treasury's Women in Finance Charter introduced in 2016. Both have been successful at increasing transparency and driving conversations, but neither has brought about the extent of change that was hoped for. We therefore recommend various enhancements to increase their effectiveness. On the Charter, these include extending its focus beyond just the top level of senior management to encourage firms to nurture a pipeline of female talent at all levels. On pay gap reporting, our recommendations include requiring firms with pay gaps above a certain level to produce action plans on how they will reduce them. We are also recommending that the Government takes action to encourage greater pay transparency, including by discouraging firms from asking job applicants for their salary history, which perpetuates the gender pay gap and is outlawed in many other jurisdictions. We welcome the Government's efforts to tackle the misuse of NDAs and recommend that it introduces legislation to ban their use in harassment cases.

We welcome the proposals by the Financial Conduct Authority (FCA) and Prudential Regulatory Authority (PRA) to strengthen their non-financial misconduct rules and enhance their ability to take action against individuals in sexual harassment cases, including to prevent 'bad apples' from being able to roll from job to job as they are able to do currently. The era of impunity for perpetrators of sexual harassment and bullies must now end. The FCA operates a whistleblowing line that can be used to report wrongdoing in the workplace, although awareness and understanding of how it works is low. We recommend that the FCA takes action to publicise the availability of its whistleblowing line and clarify the circumstances in which it can be used. Especially, it needs to be clear nothing in an NDA can prevent someone from reporting misconduct to the FCA or reporting a crime to the police.

When it comes to wider diversity and inclusion, we welcome the focus of the PRA and FCA on this topic and agree they have a role to play, but we are concerned by their proposals to require firms to implement strategies, collect and report data and set targets. Well run firms should be doing this anyway. These costly initiatives with unclear benefits would likely be treated by many firms as another 'tick-box' compliance exercise, rather than necessarily driving much-needed cultural change. They would also not apply to smaller firms with fewer than 251 employees where our anecdotal evidence suggests there are worse cultures. We recommend that the regulators drop their prescriptive plans for extensive data reporting and target setting, and instead focus their efforts on ensuring that the boards and senior leadership of firms take greater responsibility for improving diversity and inclusion.

Changing the culture in financial services is a significant challenge that will inevitably take time. Although there is no silver bullet, we hope that the recommendations in this report help increase the pace of change towards a diverse and inclusive financial services sector where the widest range of people can prosper and thrive.

1 Introduction

1. The financial services industry is one of the most important sectors in the UK economy. The second annual report on the attractiveness and international competitiveness of UK financial services, prepared by the City of London Corporation in partnership with HM Treasury, noted in July 2023 that "With 2.5 million people employed across the UK—over 1.1 million in financial services (FS) and more than 1.3 million in related professional services—the industry produced £278bn of economic output, 12% of the entire UK's economic output, and £100bn in tax revenue."[1]

2. However, there have been persistent concerns about how well the sector works for the women it employs or might employ in the future. Our predecessor Committee in October 2017 launched an inquiry into Women in Finance, which reported in June 2018.[2] That Report made a number of conclusions and recommendations related to the benefits of gender diversity, the barriers to gender diversity, industry initiatives and the Government responses to the problems identified in the industry, including the Women in Finance Charter.[3] The Report noted that "The Committee recognises that there is a considerable way to go, and supports further industry and Government initiatives to improve gender balance."[4]

3. Five years on, in July 2023 we launched our inquiry into Sexism in the City, which intended to follow up on the 2018 inquiry. It sought to explore, among other things, progress on: removing barriers to women entering and having careers across the financial services industry, including on boards and in executive roles; the impact of the Treasury's Women in Finance Charter; removing gender pay gaps; and combatting sexual harassment and misogyny. and offering effective ways to escalate concerns about sexual harassment in the City.[5]

4. Alongside the written evidence given in response to our call for evidence and oral evidence given in subsequent hearings, the Committee hosted a private engagement event with 40 women currently working in financial services. We thank all who provided their time and expertise.

5. **Our inquiry has revealed incremental improvements for women working in financial services on certain metrics, such as the proportion of women holding senior roles. Overall, there has been a disappointing lack of progress on sexual harassment and bullying, including serious sexual misconduct. Despite the best efforts of some far too little progress has been made and serious problems which should have been rooted out still persist. Significant concern remains, however, about the overall culture prevalent within the sector that holds back progress for women. While this Report deals with various challenges experienced by women in financial services, whether related to pay, harassment or maternity leave, as examples, it is this cultural deficit that allows them all to persist. Culture is also the most difficult area to seek to reform.**

1 HM Treasury and City of London, State of the sector: annual review of UK financial services 2023, 11 July 2023, p7
2 Treasury Committee, Fifteenth Report of Session 2017–19, Women in finance, HC 477
3 Treasury Committee, Fifteenth Report of Session 2017–19, Women in finance, HC 477
4 Treasury Committee, Fifteenth Report of Session 2017–19, Women in finance, HC 477, para 116
5 UK Parliament, Call for Evidence - Sexism in the City, July 2023

6. We have heard evidence that many of the challenges women face in financial services are exacerbated for women with disabilities or from ethnic minorities. It was beyond the scope of our inquiry to explore intersectional diversity issues in detail, but we very much hope that the recommendations in this report will benefit all women, including those with other protected characteristics.

2 Diversity and inclusion

7. Our predecessor Committee's 2018 Report highlighted the underrepresentation of women in senior positions in the financial services sector and showed that the proportion of women diminished in line with seniority.[6] The Report also discussed the benefits to firms of gender diversity and made several recommendations to the industry and Government to accelerate change.

Representation of women in financial services

8. Amongst signatories to the Treasury's Women in Finance Charter—which is discussed later in this chapter—the average proportion of women holding senior management roles was 35% in 2022,[7] up from 27% when the Charter was put in place in 2016.[8] In common with other areas in this Report, this is progress in the right direction, but, at a rate of little over a percentage point a year, it is frustratingly slow.

9. Female representation varies widely by sector, and the Women in Finance Charter 2022 Annual Review highlighted the growing gap between organisations and sectors pushing ahead on senior female representation and those lagging behind. Global/investment banking and investment management are furthest behind.[9]

10. Fund management was repeatedly highlighted in our evidence for poor female representation. Baroness Helena Morrissey, Chair of the professional membership association the Diversity Project, told us:

> There are big pockets of no progress whatsoever. […] Still only 12% of named fund managers—people running an account and having their name on it—are women today. That has hardly changed in the whole 36 years since I have been in the City.[10]

11. Hedge funds and private equity firms also typically had poor representation of women.[11] Our 2023 inquiry into venture capital highlighted the lack of gender diversity in that sector.[12]

The importance of culture

12. Our predecessor Committee's 2018 report highlighted the importance of creating more inclusive cultures in order to improve diversity in financial services.[13] Some women told us that their workplaces had become more inclusive in recent years, but the majority of respondents to our inquiry thought there had been little change since 2018. Many described the culture in financial services firms as still being an 'old boys' club' in which recruitment and promotion decisions were biased against women.[14]

6 Treasury Committee, Fifteenth Report of Session 2017–19, Women in finance, HC 477, para 15
7 New Financial, HM Treasury Women in Finance Charter: Annual Review 2022, March 2023
8 Q140
9 New Financial, HM Treasury Women in Finance Charter: Annual Review 2022, March 2023
10 Q4
11 Q8
12 Treasury Committee, Nineteenth Report of Session 2022–23, Venture Capital, HC 134, paras 25–27
13 Treasury Committee, Fifteenth Report of Session 2017–19, Women in finance, HC 477, paras 43–45
14 Financial Reporting Council (SITC0016); E2W Limited (SITC0006)

13. Many respondents to our inquiry continued to see cultural change as the most important factor for improving diversity in financial services. Karen Northey, Director of Corporate Affairs at trade body The Investment Association, told us "If I had to pick out the overarching driver of what needs to change, it is culture. A lot of that is culture within individual firms. It starts at the beginning of someone's career".[15] Similarly, Baroness Helena Morrissey told us "[…] I am afraid that the big problem remains culture".[16]

14. Several witnesses described how existing initiatives on diversity and inclusion often aimed to change women to fit the culture better, rather than change the culture to fit women better. For example, women's advocacy group The Other Half told us it had found that:

> many employers still prioritise […] measures which aim to "change women" rather than "change the organisation". Examples of favoured measures include coaching of women, activities to improve women's career confidence; mentoring; and training (for women) on balancing demands of work and parenting, and even paid egg-freezing benefits so that female employees can delay motherhood.[17]

15. Mark Freed, CEO of recruitment firm E2W Ltd and co-founder of Men for Inclusion, told us that women having to "perform and be fixed to succeed in a man's world, with the current culture, is not the answer. We need to change the culture and to measure and put pressure on changing the culture".[18]

16. Mark Freed also highlighted the importance of men acting as champions for change, noting that men were generally "completely blind" to "accidental sexisms" whereby women are "being interrupted in meetings, having ideas stolen […] or being given the admin tasks rather than those tasks that are appropriate to the P&L". He suggested that when men are shown that these things are happening "they generally then get on board and start changing that culture from the bottom up".[19] Several other contributions to our inquiry also emphasised the importance of more men appreciating the benefits of a diverse workforce and helping to drive change.[20]

17. We were also told that the cultural barriers faced by women in financial services were even worse for women with disabilities and women from ethnic minorities and that it was important that initiatives aimed at improving workplace cultures did so for *all* women.[21]

The impact of HM Treasury's Women in Finance Charter

18. HM Treasury's Women in Finance Charter was launched in March 2016 following a review into the representation of women in financial services.[22] Firms signing up to the Charter commit to promoting gender diversity by:

15 Q78
16 Q4
17 The Other Half (SITC0046)
18 Q17
19 Q10
20 See, for example, CFA UK (SITC0054) and Summary of the Committee's 'Sexism in the City' private roundtable event, November 2023
21 The Association of Mortgage Intermediaries (SITC0027); Unite (SITC0007); and The Fawcett Society (SITC0045)
22 HM Treasury and Virgin Money, Empowering Productivity: Harnessing the Talents of Women in Financial Services, March 2016

- having one member of its senior executive team responsible and accountable for gender diversity and inclusion;
- setting internal targets for gender diversity in its senior management;
- publishing progress annually against these targets in reports on its website; and
- having an intention to ensure the pay of the senior executive team is linked to delivery against these internal targets on gender diversity.[23]

19. As of June 2023, more than 400 firms covering more than one million employees had signed up to the Charter,[24] up from 205 firms and 650,000 UK employees when our predecessors reported in 2018.[25] Baroness Vere of Norbiton, Parliamentary Secretary at HM Treasury, told us that HM Treasury had no plans to make any changes to the Women in Finance Charter or make it more than a voluntary exercise for firms.[26]

20. Some witnesses to our inquiry thought that the Charter had helped drive the conversation about diversity in financial services and had increased accountability in the organisations that had signed up.[27] There is also evidence that Charter signatories outperformed others in the sector on senior female representation, with the five-year review of the Charter showing that signatory firms had a higher percentage of women on their boards and executive committees than did their non-signatory peers.[28]

21. Many expressed frustration at the slow progress at increasing female representation, however, including Dame Amanda Blanc, CEO of Aviva Plc and Women in Finance Charter Champion, who told us:

> In the two years that I have been championing the Charter, average female representation in senior management for signatories increased from 33% to 35%. While progress is commendable, the pace of progress has been and remains too slow. An annual one percentage point increase in female senior managers is not remotely enough to reach gender parity anywhere near soon enough.

22. Some of those who gave evidence suggested that not all signatory firms were taking their Charter commitments seriously. Baroness Helena Morrissey told us that she had "seen examples where people sign up to the charter and dust it down once a year: 'How far have we progressed? Oops, we will have to set a new target'. It is that sort of thing".[29]

23. One of the main concerns with the Charter highlighted by respondents to our inquiry was its focus on female representation at just the senior management level. Alesha De-Freitas MBE, head of policy, research and advocacy at the women's advocacy group the Fawcett Society, told us:

> The real problem with Women in Finance is that it looks at that top layer of women who are going to make the board. That is really problematic,

23 HM Treasury, Women in Finance Charter, March 2016 (last updated 14 February 2024)
24 HM Treasury, Women in Finance Charter, March 2016 (last updated 14 February 2024)
25 Treasury Committee, Fifteenth Report of Session 2017–19, Women in finance, HC 477, para 80
26 Q247
27 See, for example, Zurich UK (SITC0019)
28 New Financial, HM Treasury Women in Finance Charter: Five Year Review, July 2021
29 Q6

> because it does not look at those wider feeder careers. The statistics and the evidence show that it is that leap into middle management that is particularly problematic.[30]

24. One of the four Charter principles is for firms to have an intention to ensure the pay of the senior executive team is linked to delivery against their targets on gender diversity. There was support in evidence to our inquiry for the view that having a link to pay helped drive change and could be more widespread across the industry.[31] Of those Charter signatories that have a link to pay, around two-thirds believed it had been effective.[32] Dame Amanda Blanc told us, however, that some firms struggled with implementing a link to pay.[33]

The approach of industry towards diversity and inclusion

25. Our predecessor Committee's 2018 Report discussed the business benefits of gender diversity within firms.[34] The evidence we took in our current inquiry reiterated that the benefits to businesses of a gender diverse workforce were clear. For example, Yvonne Braun, Director at trade body the Association of British Insurers, told us:

> The case is made. […] Most recently […] Blackrock published quite a big report looking at 1,200 companies, showing that, beyond any doubt, gender-balanced companies outperformed those that were not.[35]

26. Despite this, evidence to our inquiry suggested that improving diversity and inclusion was not treated by most firms as a core business priority and was viewed more as a 'nice to have', with some describing firm-level initiatives on diversity and inclusion as "box-ticking" exercises and "virtue-signalling".[36]

27. Others thought that firms were motivated to improve diversity and inclusion but struggled to know how best to go about it. Describing the motivation for producing the Women in Finance Charter 'blueprint',[37] Dame Amanda Blanc explained:

> Everybody was trying lots of initiatives. Nobody really knew what was actually delivering major success. We surveyed 100 representative accountable executives of firms and we produced the blueprint […] with four pillars of things that we believe are best practice in firms we have surveyed. It is, in essence, a good guide to what good firms should do to move the dial.[38]

30 Q9
31 Q102
32 New Financial, HM Treasury Women in Finance Charter: Annual Review 2022, March 2023
33 Q142
34 Treasury Committee, Fifteenth Report of Session 2017–19, Women in finance, HC 477, paras 22–23
35 Q63
36 Q16; E2W Limited (SITC0006); Summary of the Committee's 'Sexism in the City' private roundtable event, November 2023
37 The Women in Finance Charter 'blueprint' sets out a series of practical recommendations to help leaders of UK financial services firms achieve gender parity: see Bain, Women in Finance Charter: The Blueprint, March 2022
38 Q132

28. Nishma Gosrani OBE, Partner at consultancy firm Bain and Company and co-author of the blueprint, told us that there had been a significant uptake of the blueprint by firms in 2023, which she thought had been hugely beneficial in helping firms understand what actions to take to improve diversity and inclusion.[39]

29. The use of Artificial Intelligence (AI) could in theory improve diversity and inclusion by removing human biases from hiring processes. That said, there is evidence that AI can unintentionally introduce and perpetuate biases further.[40] Researchers at The University of Cambridge noted that turning to technology for quick fix solutions was dangerous when trying to address deep-rooted discrimination issues that require investment and changes to company culture.[41]

The role of investors

30. Contributors to our inquiry also highlighted the important role that investors can and should play in pushing for change and holding firms to account for their performance on diversity and inclusion.[42] The UK Sustainable Investment and Finance Association told us:

> Diversity and inclusion issues should continue to become more prominent engagement and voting issues for shareholders. Investors can exercise significant influence in this respect, using their voting rights to drive positive change within their investee companies.[43]

31. Adam Jacobs-Dean, Managing Director at trade body the Alternative Investment Management Association, said:

> We see that investor channel as crucial. If you look at the investor base of the hedge fund industry, it is overwhelmingly institutional. The largest pot of money managed by hedge funds is pension fund money. […] In 2020, we published a questionnaire that covers all aspects of diversity, equity and inclusion. […] This is something investors can use to scrutinise what their fund managers are doing. That has been very widely used across the industry.[44]

Regulatory proposals on diversity and inclusion

32. The Prudential Regulation Authority (PRA) and Financial Conduct Authority (FCA) published complementary consultation papers in September 2023 on proposals for new

39 Qq133–135
40 PwC UK (SITC0022)
41 Dr Eleanor Drage, University of Cambridge, Claims AI can boost workplace diversity are 'spurious and dangerous', researchers argue, October 2022
42 See, for example, Pensions and Lifetime Savings Association (SITC0056) and The Investment Association (SITC0062)
43 UK Sustainable Investment and Finance Association (UKSIF) (SITC0036)
44 Q54

regulatory frameworks on diversity and inclusion in the financial sector.[45] The proposals build on the regulators' July 2021 discussion paper on how to accelerate the pace of change on diversity and inclusion in the sector.[46]

33. The consultation papers set out the regulators' view that improving diversity and inclusion supports their statutory objectives by encouraging healthy work cultures and reducing groupthink, which would lead to better governance, decision-making and risk management. The regulators explained that increased diversity would also unlock talent from underrepresented groups, which would help facilitate the medium- to long-term growth and competitiveness of the UK economy.[47]

34. In addition to proposals on non-financial misconduct discussed in a later chapter, three key areas of the PRA and FCA proposals are:

- **Diversity and inclusion strategies:** the regulators propose that firms be required to maintain and publish a firm-wide diversity and inclusion strategy. Firms would have flexibility to tailor the strategy to their own requirements, subject to including certain core elements. A firm's senior leadership and board would have responsibility for the strategy.
- **Diversity targets:** the regulators propose that firms be required to set and disclose diversity targets to address underrepresentation in their firms. Firms would have flexibility to set their own targets, though the FCA and PRA stipulate some expectations around the targets firms would be expected to set.[48]
- **Data reporting:** the regulators propose that firms be required to collect, report and disclose certain diversity data.[49] Each category of data would allow for employees to choose not to respond or indicate that they prefer not to say. In addition to demographic data, firms would be required to collect, report and disclose a selection of inclusion metrics, collected via anonymous staff surveys.[50]

35. To be proportionate, the PRA and FCA propose that these requirements would apply only to firms with 251 or more employees, which is the same size threshold used to define

45 Financial Conduct Authority, 'Consultation Paper CP23/20: Diversity and inclusion in the financial sector – working together to drive change', 25 September 2023; and Prudential Regulation Authority, 'Consultation Paper CP18/23: Diversity and inclusion in PRA-regulated firms', 25 September 2023

46 Financial Conduct Authority, Prudential Regulation Authority and Bank of England, 'Discussion Paper DP 21/2: Diversity and inclusion in the financial sector – working together to drive change', 6 July 2021

47 Financial Conduct Authority, 'Consultation Paper CP23/20: Diversity and inclusion in the financial sector – working together to drive change', 25 September 2023, p 3; and Prudential Regulation Authority, 'Consultation Paper CP18/23: Diversity and inclusion in PRA-regulated firms', 25 September 2023, para 1.3, 1.9

48 The FCA states that it would expect firms to set at least one target for each of the board, senior leadership and the employee population as a whole. The PRA states that it would expect firms to set targets for women and ethnicity at a minimum, if there is underrepresentation in those areas.

49 It would be mandatory to report data on: age; ethnicity; sex or gender; religion; disability or long-term health condition(s); sexual orientation. It would be voluntary to report data on: gender identity; parental responsibilities; carer responsibilities; socio-economic background. The data would need to be reported in three categories: board, senior leadership and all employees (though could be aggregated for some characteristics in the data disclosed publicly).

50 Financial Conduct Authority, 'Consultation Paper CP23/20: Diversity and inclusion in the financial sector – working together to drive change', 25 September 2023, p 36; and Prudential Regulation Authority, 'Consultation Paper CP18/23: Diversity and inclusion in PRA-regulated firms', 25 September 2023, para 7.12

'large firms' elsewhere, including for pay gap reporting regulations.[51] Dame Amanda Blanc noted, however, that there are many organisations such as hedge funds, private equity firms and boutique investment firms that have fewer than 250 employees but probably warrant more scrutiny given the prevalence of diversity and inclusion issues.[52]

36. The PRA and FCA consultation papers set out estimated costs to firms of meeting the proposed diversity and inclusion requirements. For the proposals relating to diversity and inclusion strategies, setting targets, and data reporting and disclosure, the FCA estimates a total one-off cost to all affected firms of £195mn, with an ongoing annual cost of £105mn.[53] Sam Woods, CEO of the PRA, acknowledged that it was not possible to quantify the benefits in a credible way.[54]

37. Witnesses to our inquiry were broadly supportive of regulatory action to improve diversity and inclusion in financial services, and trade bodies representing various sectors within financial services told us that the industry welcomed the policy intent behind the PRA and FCA proposals.[55]

38. With respect to diversity data collection, the PRA and FCA told us that the industry broadly welcomed data initiatives, including to ensure consistency and comparability across the industry.[56] Others similarly highlighted the importance of data for driving improvements in diversity and inclusion, noting that "what gets measured gets managed".[57]

39. Some witnesses thought that collecting more diversity data was not necessarily the best way forward. The Minister for Women, Maria Caulfield MP, told us: "More mandatory collection of data is not the solution, because we broadly know the issues […]".[58] Not talking specifically about the PRA and FCA proposals, Mark Freed told us that part of the reason for the lack of progress on diversity and inclusion was that "a lot of our focus has been on diversity and counting the number of women in an organisation, rather than on inclusion. We need to start focusing on inclusion, because we need to change the culture".[59]

40. Views were also mixed on the merits of requiring firms to set targets on diversity and inclusion. Some contributors thought that targets can be effective at improving diversity,[60] and Sam Woods told us that there was broad support from the industry for targets to form part of the approach towards diversity and inclusion, provided firms were able to set the targets themselves.[61]

41. Among attendees at our roundtable event, several women agreed that greater use of targets would be helpful at driving change. Other attendees were more cautious about

51 Financial Conduct Authority, 'Consultation Paper CP23/20: Diversity and inclusion in the financial sector – working together to drive change', 25 September 2023, p 16; and Prudential Regulation Authority, 'Consultation Paper CP18/23: Diversity and inclusion in PRA-regulated firms', 25 September 2023, Table 3; N.b. the requirement to maintain a diversity and inclusion strategy would also apply to dual-regulated Capital Requirement Regulation firms and Solvency II firms of any size.
52 Q175
53 Financial Conduct Authority, 'Consultation Paper CP23/20: Diversity and inclusion in the financial sector – working together to drive change', 25 September 2023, p 56
54 Q191
55 Qq58–60
56 Qq184–185
57 Lloyd's of London (SITC0040)
58 Q237
59 Q10
60 PwC UK (SITC0022)
61 Q229

the use of targets, noting that they had witnessed what they perceived to be 'positive discrimination' and 'tokenistic' appointments of women to certain positions just to meet targets.[62]

42. **There have been some positive signs of improvement in the senior representation of women in some firms and sectors within financial services since 2018. We commend both the Financial Conduct Authority and the Bank of England for leading by example in significantly increasing female representation at their most senior levels. But progress is still too slow and patchy, with some sectors in which there has been no improvement at all. It cannot be right, for example, that in 2024 just 12% of named fund managers in the UK are women.**

43. **The Treasury's Women in Finance Charter has played an important role in driving the conversation on gender diversity and increasing accountability for signatory firms. Even so, progress on increasing female representation has been too slow. We believe that the scope of the Charter should be extended to help drive more meaningful change within financial services firms.**

44. ***In particular, the focus of the Charter on female representation at just the senior management level is too narrow. There needs to be greater focus on ensuring there is a pipeline of female talent to support long-lasting, sustainable improvement in gender diversity in the sector. We therefore recommend that the Treasury extends the scope of the Women in Finance Charter to cover female representation at different levels of seniority.***

45. ***We heard that linking senior executive pay and bonuses to performance on diversity and inclusion can be an effective way to incentivise change, though this practice is not currently widespread. One of the Women in Finance Charter principles is for firms to have an 'intent' to link pay to delivery on gender diversity targets. Eight years on from the launch of the Charter, we think it is now time to sharpen this principle to increase its effect. We therefore recommend making the link to executive pay a firmer commitment under the Charter, on a 'comply or explain' basis.***

46. **First and foremost, it must be the responsibility of firms, boards and investors to drive improvements in diversity and inclusion, particularly given the clear evidence that more diverse firms achieve better results. We heard that many firm-level initiatives aimed at improving diversity and inclusion were often not treated in the same way as other core business priorities. We encourage firms, boards and investors to put this right and ensure diversity and inclusion is given the same focus as any other core business priority. The lack of progress in the past five years cannot be tolerated indefinitely. The loss of potential is just too great.**

47. **We welcome the focus of the PRA and FCA on diversity and inclusion in financial services, and agree they have a role to play. We have concerns, however, about their proposals to require firms to implement strategies, collect and report data and set targets. These requirements would be costly for firms to implement and have unclear benefits, while not capturing the many smaller firms that we have heard have some of the worst cultures and levels of diversity. We are also concerned that the requirements would be treated by many firms as another 'tick-box' compliance exercise, rather than**

62 Summary of the Committee's 'Sexism in the City' private roundtable event, November 2023

necessarily driving the much-needed cultural change. Instead, we recommend that all financial services firms, particularly private businesses, hedge funds and other smaller firms, sign up to the voluntary Women in Finance Charter.

48. ***We recommend that the regulators drop their plans for extensive data reporting and target setting. In our view, a lack of diversity is a problem that the market itself should be able to solve without such extensive regulatory intervention. Boards and senior leadership of firms should take greater responsibility for improving diversity and inclusion given that it should lead to a competitive advantage in the development of talent. Firms that perform best on diversity and inclusion and have the best cultures should be able to benefit from the clear business advantages this provides, leaving those that perform badly in these areas to suffer the consequences for their reduced competitiveness and profitability.***

3 Barriers facing women

49. The 2018 Treasury Committee report identified several barriers that impede or prevent women from progressing within the financial services sector or encourage them to leave it. Those included the impact of maternity leave, the lack of flexible working options (particularly with the needs of childcare in mind) and the wider culture of the industry.[63]

50. As in other chapters of this report, we have identified some areas of progress in these respects, but it is clear that underlying cultural issues remain to be resolved.

The impact of maternity

51. Our predecessors in 2018 identified the negative impact maternity leave can have on women's confidence and noted that many women returning to the workplace were provided with less financially rewarding and less senior roles than they had previously. They urged the Government and firms to encourage more take up of shared parental leave.[64]

52. Having and raising children is still perceived by many as one of the main obstructions to women progressing in finance careers. Fiona Mackenzie MBE, CEO of women's advocacy group The Other Half, told us: "so many of the women—fantastic, talented people—in the financial services industry are lost at the point that they have children".[65] One attendee at our private roundtable event suggested that taking maternity leave could have a worse effect on a woman's career than an allegation of sexual misconduct would have on a man's.[66]

53. Perceptions persist for both women and men that careers will be stalled or sent backwards if extended periods of leave are taken. SEEN in the City, an advocacy network, says women commonly report that careers flatline after maternity leave, with restructuring or redundancy affecting their roles.[67]

54. Dame Amanda Blanc, CEO of Aviva Plc and Women in Finance Charter Champion, revealed to us research that showed women were exiting the sector at an earlier career stage than Aviva had previously thought: "they felt that when they were taking breaks—often maternity breaks—when they came back they were not being supported, […] they came back in less senior roles or part time and then were written off by the middle management".[68] The Other Half told us that the loss of women from the industry after they have children was "due largely to rigid adherence to 'male default' definitions of working and career patterns, which mean parenting and other care cannot be accommodated".[69]

55. Some witnesses to our inquiry thought that greater transparency around maternity and parental leave policies could be helpful in reducing the barriers raised by maternity leave. Attendees at our roundtable event recommended that parental leave policies be made publicly available so that people can make informed decisions when taking or

63 Treasury Committee, Fifteenth Report of Session 2017–19, Women in finance, HC 477
64 Treasury Committee, Fifteenth Report of Session 2017–19, Women in finance, HC 477
65 Q10
66 Summary of the Committee's 'Sexism in the City' private roundtable event, November 2023
67 SEEN in the City (SITC0041)
68 Q139
69 The Other Half (SITC0046)

moving roles.[70] Yvonne Braun, Director at trade body the Association of British Insurers, explained how an ABI initiative to enhance the transparency of parental leave and pay had been effective at driving up standards.[71] The Minister for Women, Maria Caulfield MP, supported initiatives to improve transparency of maternity and parental leave policies at the recruitment stage,[72] and agreed to include this as part of the pay transparency pilot being set up by the Government.[73]

Parental leave

56. Several witnesses highlighted the positive impact that increased use of paternity and shared parental leave can have, by enabling more women to return to work if they wish to and sharing childcare responsibilities more equally. For example, Dame Amanda Blanc told us:

> Aviva introduced equal parental leave in 2016. Since 2019, over 80% of the dads, the men, in Aviva have taken six months' parental leave. I do believe that that makes a massive difference. Those policies around flexibility of working and parental leave make a really, really big difference in terms of making it an environment where women feel there is a shared responsibility of childcare, because that is one of the very, very key things.[74]

57. The availability and take-up of paternity leave have improved since 2018. The campaign group Better Daddies noted that a significant number of City employers now offer fathers six months' parental leave and full pay, and that, anecdotally, more such leave is being taken.[75] Among firms who contributed to our inquiry, Aviva, NatWest, Phoenix and TSB all offer several months of paid leave (albeit for different periods) to mothers and fathers.[76]

58. That said, the offer (and take-up) of such paternity and shared parental leave were still not widespread in the industry. For example, Baroness Helena Morrissey, Chair of the professional membership association the Diversity Project, told us that only 12 of the Diversity Project's 110 members offer at least six months of shared parental leave.[77] Attendees at our roundtable engagement event identified two essential reasons why take-up may remain comparatively low: peer pressure on men within the prevailing culture of the industry; and the financial effect of sacrificing weeks or months of salary for relatively low paternity pay.[78]

59. Illustrating the peer pressure point, we heard from a mid-senior male actuary that "unless there was a widespread shift in the expectation for men to take less time off work, it won't change. With men being given less time off work, that barrier will always exist."[79] On the point about financial disadvantage, Better Daddies point out that employed fathers

70 Summary of the Committee's 'Sexism in the City' private roundtable event, November 2023
71 Qq50–51
72 Q280
73 Treasury Committee, Correspondence from the Minister for Women relating to Sexism in the City, 12 February 2024
74 Q147
75 Better Daddies (SITC0048)
76 Aviva (SITC0009); NatWest Group (SITC0025); Phoenix Group (SITC0034); TSB Bank (SITC0053)
77 Q11
78 Summary of the Committee's 'Sexism in the City' private roundtable event, November 2023
79 Financial Reporting Council (SITC0016) para 5.2

can receive £140 a week for two weeks leave while employed mothers can access 90% of full salary for their first six weeks, which gives families a strong financial incentive to prefer maternity to paternity leave.[80]

60. To help overcome such obstacles, the recruitment firm E2W Ltd recommends making parental leave not just equal, but obliging firms to explain why full leave allocations are not taken in order to encourage full leave as the norm.[81]

Childcare

61. Childcare can be expensive and difficult to access, disincentivising women from returning to work. Dame Amanda Blanc told us:

> We have done some work on this recently. […] Right at the very beginning, there was an assumption that this was not the issue. As we delved into it, we realised that actually it was much, much more of an issue […]. There is the affordability point, but there is also the availability point. […] Many childcare facilities did close down during Covid and did not reopen.[82]

62. Several attendees at our roundtable engagement event also emphasised childcare costs as a significant issue that prevented some women from returning to work after having children, or incentivised them to return on a part-time basis, particularly given that their male partners would often be the higher earner. Some attendees called for greater support for childcare costs, such as through the extension of tax reliefs.[83]

63. Fiona Mackenzie MBE told us it was important not to see the goal as being only to get women to return to work full-time, however, and emphasised the importance of increasing the availability of part-time working options. She argued that "We need to quite forcefully push this back on to organisations to start thinking about how they accommodate different working patterns".[84] On the other hand, Karen Northey, Director of Corporate Affairs at trade body The Investment Association, cautioned that having mothers return to work part-time after having a baby "sounds great, except for the fact that, if it is only mothers doing it, it just reinforces the idea, 'You are only working part-time. Your career is not important. I am going to promote someone who is prepared to work full-time'."[85]

Flexible and hybrid working

64. Perhaps the biggest single shift since the Treasury Committee's 2018 report has been an almost accidental one—the expansion of hybrid and remote working practices that resulted from the Covid pandemic. As Sarah Boon, Managing Director at the trade body UK Finance, told us, the expansion of flexible working is something women in particular have benefited from.[86] Maria Caulfield MP agreed: "It is now acceptable for anyone to

80 Better Daddies (SITC0048)
81 E2W Limited (SITC0006)
82 Q157
83 Summary of the Committee's 'Sexism in the City' private roundtable event, November 2023
84 Q21
85 Q100
86 Q41

be working from home, doing virtual calls, not having to be in that office, not going for drinks after work and all those sorts of things, which will benefit women and drive that cultural change”.[87]

65. Several witnesses to our inquiry were concerned that some of these benefits could be lost as firms pushed for a return to office working. For example, Fiona Mackenzie MBE cautioned that “very few people are now defending [hybrid working] and lots of CEOs do not love it […] they are quite keen to switch it off”.[88]

66. While the benefits of hybrid and remote working for work/life balance were stressed by several of those who submitted evidence to our inquiry, two potential concerns of particular relevance to women were also raised. First, it was argued that as the pandemic effect wears off, men may return more quickly to office-based roles than women do, creating a “mummy trap”.[89] Secondly, opportunities for learning and networking could be reduced for those working from home.

67. Dame Amanda Blanc described the potential pitfalls of hybrid and remote work:

> The bigger issue we need to watch—and the data does not support this yet—is that, over time, women might go back to more flexible working while men reappear in the office more frequently. Obviously, they would be disadvantaged by that. […] Certainly, the absorption of experience is something that is done in a physical way. You do not get that in a Microsoft Teams meeting, as enjoyable as they are. You gain a lot more by listening. I was an underwriter listening to other underwriters. That is how you learn. That physical presence is very important.[90]

68. Maria Caulfield MP pointed out that the counter to “presenteeism” is that working for longer hours does not necessarily mean greater productivity: “Very often, a woman who will spend less time in the office because they have to get home for childcare or other responsibilities will actually do more work in the hours they are there”.[91]

69. From 6 April 2024, new legislation will provide any employee with the statutory right to request flexible working from their first day of employment.[92]

The impact of menopause

70. Several of those who responded to our inquiry highlighted the impact the menopause and perimenopause can have on women’s careers. The effects can be hidden and the range of symptoms arising may hold back women from progressing and in some cases from staying in work at all. As the long-term saving and retirement business the Phoenix Group said:

> Menopause is a misunderstood and often taboo subject across society, however it can have a huge impact on recruitment and retention of women.

87 Q252
88 Q1
89 Q21
90 Q146
91 Q252
92 Employment Relations (Flexible Working) Act 2023

> 1 in 10 employees working in the financial services sector are estimated to be going through the menopause and 25% of them are likely to leave the workforce.[93]

71. Some suggested that greater support and understanding around the menopause could result in fewer women leaving their roles. The trade union Unite explained: "We lose good people […] at menopause, when you have qualified, capable women choose to leave their roles due to the lack of understanding and willingness to work through the issues and keep that good person in role."[94] The women's advocacy group the Fawcett Society said: "Most of the women we spoke to who reduce their seniority or left their roles believed that had they known more about the menopause and been given support, they would have stayed or progressed".[95]

72. The effects of the menopause have received increasing and welcome attention in recent years. Sarah Boon told us:

> […] there is much greater understanding, transparency and discussion about the issues that affect women. For example, the brilliant report that was done by the Financial Services Skills Commission on the menopause in financial services really did create a conversation in financial services. It is something that is discussed more. There is definitely more that can be done, but there has been change.

Maria Caulfield MP told us that the Government took this issue seriously and was taking action to support women in the workplace with the menopause.[96]

73. We also heard encouraging evidence about steps being taken by some firms to provide greater support to employees. Coventry Building Society, for example, provides all female colleagues with specialist support on fertility and the menopause through a health app.[97] Among others, Metro Bank, Virgin Money, Phoenix Group and the Chartered Institute of Personnel and Development offer examples of what can be done.[98]

74. As a result, there was cautious optimism that the menopause does not have as much effect today as it once did on women's careers. Sarah Boon and Karen Northey both told us that improvements had been made in manager knowledge and training on menopause.[99] There is insufficient data available on whether the menopause remains a barrier to promotion for women, but Karen Northey was carefully hopeful: "There will always be cases where it is, I am afraid, but it is really hard to say that it is still a barrier".[100]

75. **It is clear that maternity remains a significant barrier to women in financial services, with too many women leaving the industry after having children. We have heard that increased availability and take-up of paternity leave and shared parental leave by men can have a significant impact on reducing this barrier by fostering a more equal sharing of childcare responsibilities. Increased transparency around**

93 Phoenix Group (SITC0034)
94 Unite (SITC0007)
95 The Fawcett Society (SITC0045)
96 Q278
97 SEEN in the City (SITC0041)
98 Metro Bank (SITC0017); Virgin Money (SITC0028); Phoenix Group (SITC0034); CIPD (SITC0049)
99 Q122; Q100
100 Q127

the maternity, paternity and parental leave offered by firms would also incentivise improvement in this area and allow both men and women to take account of these policies when moving roles, without having to ask for them during job interviews.

76. ***We recommend that the Government and regulators encourage all firms to consider equalising their offer of parental leave for men and women, and to actively encourage more men to take it up. We also recommend that the Government and regulators encourage firms to be transparent about their maternity and parental leave policies, including when advertising roles, by publishing them on their company websites.***

77. **Hybrid working spread accidentally and unplanned as a result of the Covid pandemic and the full benefits and costs of new hybrid and remote working arrangements continue to be identified. Those arrangements have, however, provided substantial new opportunities for more flexible working patterns from which women, particularly those with children or other caring responsibilities, have benefited. There is a risk that those benefits will be lost if financial sector firms push back towards "presenteeist" office working cultures without considering what has been gained, especially for women.**

78. **There are also risks that women lose out on promotion or pay progression possibilities if the change in practice towards hybrid and remote working is not accompanied with a change in the culture of firms and the mindset of managers towards ensuring equal opportunity and treatment between those who work more of their hours at home and those who work more in the office.**

79. ***We recommend that the Government and regulators encourage firms to undertake equality impact assessments on their flexible working policies and the interaction with diversity and inclusion within their firm.***

80. ***We recommend that the Government and regulators encourage firms to advertise as many roles as possible to be available on flexible and part-time bases, as a way to attract and retain as wide a talent pool as possible, especially women.***

81. **Welcome progress has been made in recognising the effect of the menopause and in identifying ways of assisting those affected to overcome the challenges it presents without having to leave their jobs. That progress, as in other areas of this Report, needs to be taken further.**

82. ***We recommend that Government continue to encourage firms to recognise the impact of menopause and to establish policies and support for those who are affected to ensure that their experience and talents are not prematurely lost from the industry.***

4 Pay

83. The gender pay gap measures the average difference in pay between men and women across an organisation.[101] The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 came into force in April 2017, and require UK employers with 250 or more employees to report annually on their gender pay gap.[102] This is different from the concept of 'equal pay'—by law, men and women must get equal pay for doing 'equal work'.[103]

84. Our predecessor Committee's 2018 Report highlighted the large gender pay gap between men and women in financial services, particularly regarding bonuses. The Report explained that one of the key drivers for this gap was the significantly greater number of men compared to women in higher earning and more senior positions.[104] In this follow-up inquiry, we were keen to explore the extent to which there had been a reduction in the difference in pay between men and women, and what further action might be required.

Gender pay gaps in financial services

85. The financial services sector has the widest average gender pay gap of any sector,[105] and progress at reducing it has proceeded at a snail's pace. Professional services firm PwC UK told us:

> As at 2022/23, the average pay gap within financial services was 23.7%, compared to 11.7% in all other industries. Progress since the start of gender pay gap reporting in 2017 has also been slow, with the gap reducing by only 1.7% over six years for financial services firms (1.1% for all other industries). Our calculation is that on this trajectory it will take another 70 years for the gender pay gap to close in financial services.[106]

86. There is a wide variation of gender pay gaps within financial services, with large banking firms amongst those with some of the widest pay gaps. For example, some of the highest reported mean hourly pay gaps within UK banking groups for 2022–23 were at HSBC Bank Plc (43.2%) and Barclays Bank Plc (42.9%).[107]

87. The gap between the earnings of men and women is often larger still when it comes to bonuses. For example, mean gender bonus gaps for 2022–23 were 54.4% for HSBC Bank Plc and 67.5% for Barclays Bank Plc.[108]

88. An EU-wide cap on the size of bonuses that could be paid by financial firms came into force on 1 January 2014.[109] The PRA and FCA opposed the bonus cap at that time, on the basis that the cap did not limit total remuneration and could place upward pressure

101 Government and Equalities Office, Gender pay gap reporting: guidance for employers - Statutory guidance Overview, 9 January 2024
102 The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, Section 2 (2017/172)
103 For an explanation, see: Acas, Equal pay and the law, last updated 10 January 2024
104 Treasury Committee, Fifteenth Report of Session 2017–19, Women in finance, HC 477, paragraph 117
105 *The gender pay gap*, SN7068, House of Commons Library, 8 January 2024
106 PwC UK (SITC0022)
107 HM Government, Search and compare gender pay gap data - Gender pay gap service, accessed 22 February 2024
108 HM Government, Search and compare gender pay gap data - Gender pay gap service, accessed 20 February 2024
109 Official Journal of the European Union, Directive 2013/36/EU of the European Parliament and of the Council, 26 June 2013

on salaries and allowances that may not be linked to longer-term performance and could not be reduced or clawed back.[110] Following the UK's withdrawal from the EU, the PRA and FCA removed the bonus cap with effect from 31 October 2023.[111]

Effectiveness of pay gap reporting regulations

89. Witnesses to our inquiry thought that the UK's pay gap reporting regulations had been helpful in providing transparency and enabling conversations to take place, but had not been as effective as hoped at actually driving reductions in pay gaps. For example, Alesha De-Freitas MBE, head of policy, research and advocacy at the women's advocacy group the Fawcett Society, told us:

> The fact that we can reel off these statistics and demonstrate that insufficient progress has been made is a benefit to gender pay gap reporting, but I do not think that it has gone far enough. At the point when gender pay gap reporting was introduced, it was hoped that firms would see the pay gap and take action. That is not happening enough.[112]

90. Baroness Helena Morrissey, Chair of the professional membership association the Diversity Project, explained that firms had been worried about public perceptions of their pay gaps when the regulations first came in, noting that there were "a lot of firms in a complete panic". But once the numbers came out "everyone could see that the whole sector was pretty rough in terms of the numbers […] people's eyes glazed over a bit. Now, five years on, they are like, "It's just high"."[113] Similarly, the sex equality campaign group SEEN in the City told us that firms in the financial services sector "may feel mildly uncomfortable about their [pay] gap, but because it is industry wide there is safety in numbers".[114]

91. Contributors to our inquiry made several recommendations to enhance the effectiveness of pay gap reporting regulations. A common recommendation was that that firms should be required to publish a narrative explaining the reasons behind their pay gap together with an action plan setting out how they aim to reduce it.[115] The Equalities and Human Rights Commission (EHRC), which enforces the gender pay gap regulations, told us:

> To increase the effectiveness of the reporting requirement and accelerate progress, we continue to recommend the 2017 Regulations be amended to require employers in scope of the regulations to publish and implement time-bound, target driven action plans setting out how they will close their gender pay gaps.[116]

92. Another frequent recommendation made by contributors to our inquiry was to reduce the size threshold for firms to be captured by the regulations, given the large

110 Bank of England, CP15/22: Remuneration: Ratio between fixed and variable components of total remuneration ('bonus cap'), 19 December 2022
111 Bank of England, PS9/23 – Remuneration: Ratio between fixed and variable components of total remuneration ('bonus cap'), 24 October 2023
112 Q17
113 Q17
114 SEEN in the City (SITC0041)
115 See, for example, CIPD (SITC0049)
116 Equality and Human Rights Commission (SITC0052)

number of smaller firms in the sector and their typically large pay gaps.[117] Many respondents suggested a reduction in the threshold to 50 employees. For example, the Chartered Management Institute told us that international comparisons show "the UK is the only country with requirements for an employer size of 250+ employees—most are 50+ employees. As small to medium-sized businesses make up the majority of employers globally it would seem sensible to change the reporting requirements to those with 50+ employees." Others suggested a 100+ employee threshold.[118]

93. The Government's guidance on gender pay gap reporting permits the omission of partners' remuneration from pay gap calculations and disclosures, on the basis that their remuneration is not comparable with that of salaried employees.[119] Our predecessor Committee's 2018 report recommended amending the guidance to include partners' remuneration, to be consistent with the intended spirit of the legislation.[120] SEEN in the City highlighted that this remains a problem and repeated the recommendation that pay gap reporting requirements be extended to include partnerships.[121]

94. Several contributors suggested extending the pay gap reporting requirements to provide more granular information on pay gaps to help clarify where the biggest gaps are within firms.[122] Our predecessor Committee's 2018 report also suggested that the Government should consider expanding gender pay gap reporting to encompass reporting by job role and by corporate function, to offer greater transparency.[123]

95. In response to our predecessor Committee's 2018 report, the then-Government said:

> The Committee made several suggestions for amending and extending the gender pay gap reporting regulations (paragraphs 119, 121 and 122). It is important to recognise that the regulations are still in their infancy, with organisations having only just completed the first year of reporting. The legislation itself is groundbreaking, with no other country asking for this level of transparency, although we will review it in five years. The government believes that this is an adequate timeframe after which we will be able to properly evaluate the regulations and their impact.[124]

96. The current Government published its post-implementation review of the gender pay gap reporting regulations in April 2023. The review recommended retaining the regulations but made no recommendations to strengthen them, despite acknowledging that "only half of employers plan to or are taking effective action to close their gap".[125]

117 See, for example, Dr Rachel Verdin (Research Fellow at University of Sussex Business School Digit Centre) (SITC0069)
118 The Fawcett Society (SITC0045)
119 Government Equalities Office, Statutory guidance: Gender pay gap reporting: guidance for employers: Who needs to report, last updated 9 January 2024
120 Treasury Committee, Fifteenth Report of Session 2017–19, Women in finance, HC 477, paragraph 119
121 SEEN in the City (SITC0041)
122 See, for example, CFA UK (SITC0054); and Summary of the Committee's 'Sexism in the City' private roundtable event, November 2023
123 Treasury Committee, Fifteenth Report of Session 2017–19, Women in finance, HC 477, paragraph 122
124 Treasury Committee, Sixth special Report of Session 2017–19, Women in finance: Government Response to the Committee's Fifteenth Report, HC 1567
125 Cabinet Office and Government Equalities Office, Post-implementation review of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, 11 April 2023

Pay transparency

97. The size of the gender pay gap in financial services is often attributed to the underrepresentation of women in senior roles and overrepresentation in junior roles.[126]

98. Responses to our inquiry revealed a widespread perception that men were also often paid more than women for equivalent roles, however, with some women reporting having been told by supportive male colleagues that they were underpaid relative to their male peers.[127] Some respondents noted that such pay discrepancies are possible given the very wide and overlapping pay bands that are typical in financial services firms.[128]

99. A lack of pay transparency, including at the recruitment stage, was highlighted as a key factor that exacerbated gender pay inequality in financial services. The ability of UK firms to ask for applicants' salary history as part of job applications was seen as a particular problem, with several calling for this to be banned. Nishma Gosrani OBE, Partner at consultancy firm Bain & Company, told us:

> We know that salary history perpetuates the gender pay gap. In this country, we are able to ask individuals for their salary history. That is not the case across the rest of the continent. In other jurisdictions, they have legislation that prohibits this, which is what we ought to adopt. The reason for that is that salary should be based on a candidate's skill as well as target pay.[129]

100. Similarly, PwC UK told us that a lack of pay transparency can "reinforce disparities in pay for men and women from the start of their careers and throughout their employment. Studies indicate that women are often less successful in securing pay rises, and that women report being less confident to negotiate pay during recruitment processes when they have been asked about pay history".[130]

101. Several witnesses called for the mandatory inclusion of salary band information on job advertisements to improve pay transparency and equality by reducing the scope for employees to be paid differently for similar roles.[131]

102. In oral evidence, the Minister for Women Maria Caulfield MP told us that the Government was "very interested" in the issue of pay transparency and was setting up a pilot scheme to explore practical options to improve it, stating "we know that, where salaries are not advertised, for example, women are often paid at a lower rate".[132] She also acknowledged that the ability of firms to ask for salary history was an issue, and told us that this could be considered as part of the pay transparency pilot.[133]

126 See, for example, NatWest Group (SITC0025)
127 Summary of the Committee's 'Sexism in the City' private roundtable event, November 2023
128 See, for example, Anonymous (SITC0065)
129 Q169
130 PwC UK (SITC0022)
131 See, for example, The Fawcett Society (SITC0045)
132 Q237
133 Q243

103. However, the Minister subsequently confirmed that the pay transparency pilot scheme was the same as that first announced in March 2022,[134] and that just a single organisation would take part.[135]

104. **The financial services sector is well paid compared to many other industries, but it has the largest gender pay gap of any sector in the UK economy and that pay gap is reducing at such a glacial pace that it could take 70 years to close it at the current rate of progress. That is simply not good enough for such an important sector of the UK economy, and it is clear that further specific action targeted at reducing pay gaps is required.**

105. ***Given that gender bonus gaps are typically even larger than gender pay gaps, we are concerned that the removal of the bankers' bonus cap could increase the difference between the overall take-home pay of men and women in financial services, especially given that pay gap reporting appears to provide little incentive against this. We recommend that the PRA and FCA monitor this closely, and formally review the impact of the bonus cap removal on gender pay inequality in two years' time.***

106. **Gender pay gap reporting has increased transparency around pay gaps, but it has not incentivised firms to take action to reduce pay gaps in the way that had been hoped and we are concerned by the evidence we heard that suggests large pay gaps in financial services have come to be accepted as the 'norm'.**

107. ***We therefore recommend that the Government strengthens the pay gap reporting regulations to incentivise firms to make faster progress. Specifically, we recommend it be made mandatory for firms with a pay or bonus gap above a certain threshold to publish a narrative explaining the drivers of the gap(s) and an action plan for how they will reduce them. We also recommend that the employer size threshold for pay gap reporting be reduced from 250 employees to 50 employees, at least for firms in financial services given the extent of the problem in this sector.***

108. ***We repeat our predecessor Committee's recommendations that the Government considers amending the pay gap reporting guidance so that partners' remuneration is included, and that the granularity of pay gap reporting be increased to provide more clarity around where pay gaps exist within firms and incentivise more targeted action to reduce them.***

109. **We have heard compelling evidence that a lack of pay transparency, particularly at the recruitment stage, exacerbates and perpetuates gender pay gaps. It is vital that employees are paid based on their experience, skills and value to an organisation, rather than on their prior salary or ability to negotiate.**

110. ***While we recognise the Government's plans for a pay transparency pilot as a first step to exploring these issues, we are concerned by the lack of progress since the pilot was announced two years ago. Given the very clear case for action, the Government should act now rather than await the outcome of a pilot scheme that will include just a single***

134 Government Equalities Office, 'Government launches pay transparency pilot to break down barriers for women', 8 March 2022

135 Treasury Committee, Correspondence from the Minister for Women relating to Sexism in the City, 12 February 2024

organisation. We recommend that the Government introduces legislation to mandate the inclusion of salary band information on job advertisements, and to ban prospective employers from asking for salary history as part of the job application process.

5 Sexual Harassment

111. In 2018, the then Treasury Committee reported on Women in Finance and discussed the culture in financial services firms. It identified the prevalence of an 'alpha-male' culture, but did not cover sexual misconduct or harassment directly.[136]

112. The visibility of sexual harassment against women has risen in prominence in recent years, in part as a result of the 'Me Too' movement that grew following the emergence of numerous allegations of sexual abuse against film producer Harvey Weinstein in October 2017. More recently, within the UK, high-profile allegations of sexual harassment at Odey Asset Management and the Confederation of British Industry (CBI) again trained the spotlight on harassment against women in the workplace.[137] Such incidents were part of the motivation for our launching this inquiry to follow up on progress made since our predecessors published their findings.

113. We received a large amount of evidence relating to sexual harassment in financial services, including from many of the 40 women who came forward to tell us about their experiences of working in the industry at a private roundtable engagement event we held at Westminster on 14 November 2023.[138] The evidence we took was shocking, especially the extent of misogyny, sexual harassment and bullying, up to and including serious sexual assault and rape. It is not our role to pursue or investigate individual cases. However, the large number of testimonies we heard were vital in building up a picture of the extent and nature of sexual harassment in the financial services sector, and we thank all of those who came forward to give us evidence.

Prevalence of sexual harassment in financial services

114. Our inquiry has painted a negative picture of widespread sexual abuse and harassment towards women in financial services. Mark Freed, CEO of recruitment firm E2W Ltd and co-founder of Men for Inclusion, told us that "50% of the women we asked said that they had been sexually harassed or had experienced misogyny in the workplace".[139] Citing data collected by the not-for-profit organisation Speak Out Revolution, the advocacy group Can't Buy My Silence told us that "45% of workers working in the financial services industry have encountered sexual harassment in the workplace".[140]

115. Although sexual harassment in the workplace is not unique to financial services, several respondents suggested that it was more prevalent in financial services than in other industries. For example, Dame Amanda Blanc, CEO of Aviva Plc and Women in Finance Charter Champion, told us:

> The numbers, when we did the survey […] showed that physical abuse was around 28% in financial services, in the firms that we surveyed, and verbal abuse was 43%. Those are 10 percentage points higher than in other industries. Clearly, there is an issue here.[141]

136 Treasury Committee, Fifteenth Report of Session 2017–19, Women in finance, HC 477, para 31
137 The Guardian, 'Revealed: new claims of sexual misconduct and 'toxic culture' at the CBI', 3 April 2023; Financial Times, 'How Crispin Odey evaded sexual assault allegations for decades', 8 June 2023
138 Summary of the Committee's 'Sexism in the City' private roundtable event, November 2023
139 Q27
140 Can't Buy My Silence (SITC0035)
141 Q136

116. We were told that forms of sexual harassment in financial services ranged from 'microaggressions' such as inappropriate comments and being excluded from meetings, through to criminal harassment, assault and rape.[142]

117. Some attendees at our roundtable event thought there had been a reduction in overt sexism and misogyny in the workplace, such as sexist 'office banter', but that misogynistic mindsets remained widespread, with behaviours having instead become more underhand and pernicious. Attendees also reported that many of the worst cases of sexual harassment took place outside the office, happening, for example, at conferences and drinks events, or during work trips.[143] As awareness grows, some industry bodies are taking steps to counteract this such as by developing an "Event Code of Conduct",[144] or outlining a list of unacceptable behaviours at events.[145]

Role of firms in combatting sexual harassment

118. Several respondents to our inquiry highlighted the importance of firms and their boards taking responsibility for dealing with sexual harassment within their organisations. The Chartered Management Institute told us: "Whilst the role of regulators is important […] the best way to tackle harassment and misogyny is for firms to take responsibility".[146] Similarly, Dame Amanda Blanc argued that accountability should rest with the board and management of a firm to create the right culture and ensure the right processes are in place to handle allegations of misconduct, with the regulator as the backstop should that not work.[147]

119. We were told that firms needed to adopt a zero-tolerance culture towards sexual harassment. Alesha De-Freitas MBE, head of policy, research and advocacy at the Fawcett Society, told us:

> The first thing you have to do is to be really clear that you have a no-tolerance culture and set out really clearly what that means. You have to be clear that sexual harassment is not just the horrific physical end of things; it is also about the things you say, the banter, the jokes and all of those things, which may well have been acceptable in the past. As a company, you need to be really up-front and say, "We are not going to tolerate that any more".[148]

120. Yvonne Braun, Director at trade body the Association of British Insurers, also told us about the importance of not tolerating "microaggressions and the small stuff" because "we know that the small stuff can very easily get out of hand and become more serious".[149] Several attendees at our roundtable event suggested that firms should provide 'unconscious bias' training to help encourage a more healthy culture that does not tolerate any form of harassment.[150]

142 See, for example, The Other Half (SITC0046); Diversity Project (SITC0013); Organise (SITC0026) and Q163
143 Summary of the Committee's 'Sexism in the City' private roundtable event, November 2023
144 International Securities Lending Association (SITC0032)
145 Mortgage Solutions, 'AMI and IMLA bring out industry events code of conduct, 31 August 2023
146 Chartered Management Institute (SITC0005)
147 Q138
148 Q26
149 Q88
150 Summary of the Committee's 'Sexism in the City' private roundtable event, November 2023

Internal whistleblowing procedures

121. Whistleblowing occurs when a worker makes a disclosure of information which they reasonably believe shows wrongdoing or someone covering up wrongdoing. Workers who blow the whistle are entitled to protections, which were introduced through the Public Interest Disclosure Act 1998 (PIDA).[151] The Government launched a review of the whistleblowing legal framework in March 2023.[152]

122. Contributors to our inquiry had an overwhelmingly negative view of the effectiveness of financial services firms' internal whistleblowing procedures in dealing with allegations of harassment. Many thought that human resources (HR) departments within firms were focused on protecting the firm rather than the victims of sexual harassment.[153]

123. Several reported that allegations were often not taken seriously or investigated properly by firms. The Diversity Project said there was "a sense that 'if it's not criminal, it's not that bad'."[154] The whistleblowing charity Protect told us that a third of the whistleblowers who had contacted its advice line reported that their complaint had been ignored by their employer.[155]

124. There was a widespread view that male perpetrators of harassment and abuse suffered few consequences as a result of their behaviour. For example, one respondent to a survey undertaken by the workers' network Organise said "A manager stuck his hand up my skirt in a meeting—I raised a grievance and the end result was I had to move job with no repercussions for the manager".[156]

125. Witnesses described how lack of action against perpetrators left them free to carry out further abuse. Can't Buy My Silence told us:

> Repeat offenders act with impunity in the City. 65% of respondents that report having encountered workplace harassment or bullying in the City are aware of multiple people that have suffered at their hands of their abuser– with an astonishing 41% of respondents being able to identify upwards of five victims who share the same perpetrator as them.[157]

126. Conversely, outcomes for women who reported harassment were usually negative. In many cases, women reported having been forced to move roles or leave a company after making a complaint. For example, Protect told us that its research showed "70% of whistleblowers were either victimised, dismissed or felt resignation was the only option open to them".[158] Baroness Helena Morrissey, Chair of the professional membership association the Diversity Project, told us about testimony that showed "each time the women have escalated, it has made their working lives worse".[159]

127. As a result, there was a real 'fear factor' when it came to reporting cases of sexual harassment. Can't Buy My Silence told us that "77% of workers that encounter sexual

151 Public Interest Disclosure Act 1998
152 Department for Business and Trade, Government reviews whistleblowing laws, 27 March 2023
153 Summary of the Committee's 'Sexism in the City' private roundtable event, November 2023, Q22
154 Diversity Project (SITC0013)
155 Protect (SITC0024)
156 Organise (SITC0026)
157 Can't Buy My Silence (SITC0035)
158 Protect (SITC0024)
159 Q22

harassment or bullying in the workplace do not formally report it" which is "17% higher than the rate of non-reportage in other industries".[160] Attendees at our roundtable event thought that a woman needed to be prepared to lose her career in order to report a case of sexual harassment.[161] The Diversity Project described instances where "witnesses have reported what they saw but the victim 'begged' for the incident not to be escalated, for fear of retaliation".[162]

128. Some respondents contrasted the seriousness of approach taken by firms towards financial misconduct with that taken for non-financial misconduct. One attendee at our roundtable event noted that an allegation of financial misconduct would typically result in immediate suspension for the person accused,[163] while The Other Half, a women's advocacy group, noted that firms have made efforts to ensure that whistleblowers who identify business and reputational harms like money laundering or internal fraud are treated fairly.[164]

Importance of male allyship

129. We also heard about the importance of men playing a leading role in combatting sexual harassment in the workplace. Mark Freed told us:

> I got a letter yesterday from one of our members. It is a harrowing letter. The last paragraph reads, "So many otherwise at least relatively good men turned a blind eye because he was a partner and dealing with his behaviour was probably too problematic".
>
> […] This is a male problem. This is happening to our mothers, our wives, our girlfriends, our sisters and our daughters. Men have to stand up and solve the problem in the workplace at all levels every day.[165]

130. Attendees at our roundtable event said that male colleagues who witnessed inappropriate behaviour towards female colleagues were often privately supportive of the victim but would rarely call out the bad behaviour or take steps to intervene at the time—the emphasis was on helping women to avoid the known 'bad actors', rather than tackling the inappropriate behaviour itself.[166] The professional membership body CFA UK told us: "Male allyship programmes and mentoring programmes can help men understand women's experiences and equip them to call out unacceptable behaviour."[167]

Worker Protection Act

131. The Worker Protection (Amendment of Equality Act 2010) Act, which received Royal Assent in October 2023, introduces a new duty on employers to take reasonable steps to

160 Can't Buy My Silence (SITC0035)
161 Summary of the Committee's 'Sexism in the City' private roundtable event, November 2023
162 Diversity Project (SITC0013)
163 Summary of the Committee's 'Sexism in the City' private roundtable event, November 2023
164 The Other Half (SITC0046)
165 Q27
166 Summary of the Committee's 'Sexism in the City' private roundtable event, November 2023
167 CFA UK (SITC0054)

prevent sexual harassment of their employees in the workplace. The Act comes into effect in October 2024 and will be enforced by the Equalities and Human Rights Commission (EHRC).[168]

132. Witnesses to our inquiry were hopeful that the Act would be effective at forcing firms to take action to prevent sexual harassment in the workplace.[169]

Role of the regulators in combatting sexual harassment

133. Financial regulators have an important role to play in combatting sexual harassment, including through the 'fitness and propriety' tests that need to be met by individuals performing a 'Senior Management Function' or a certification function with a firm. The Financial Conduct Authority (FCA) published a consultation paper in September 2023 on diversity and inclusion in the financial sector. It included proposals to better integrate non-financial misconduct considerations into staff fitness and propriety assessments, conduct rules and the suitability criteria for firms to operate in the financial sector.[170]

134. In written evidence received before publication of the consultation papers, several witnesses to our inquiry called for regulators to strengthen their fit and proper tests to make it explicit that non-financial misconduct was captured.[171] Others sought clearer guidance from the FCA on how firms should handle non-financial misconduct,[172] noting that the application of the rules was inconsistent.[173]

135. We also heard how 'bad apples' were able to move between roles without any repercussions from their bad behaviour. Baroness Helena Morrissey told us:

> I know people who have been let go from two firms for sexual harassment. If you look up their names on the FCA register—I am not going to divulge them—they are certified people with absolutely unblemished records.[174]

136. The FCA told us that its consultation proposals aimed to address the above issues. Sarah Pritchard, Executive Director, Markets and International at the FCA, told us:

> Our new set of proposals, when they do come into force, will give us a much stronger ability to look at taking action in the most serious cases to prohibit people where they are not fit and proper. I know that in our written evidence we provided examples of one particular case in relation to child sexual grooming, where an upper tribunal found that that by itself was not sufficient for us to prohibit an individual. Some of the proposals in our consultation seek to strengthen that.[175]

On the issue of 'rolling bad apples' moving from role to role, Sarah Pritchard said that the FCA's proposals "seek to prevent that by making it clear that any information that is

168 Worker Protection (Amendment of Equality Act 2010) Act 2023 (legislation.gov.uk)
169 See, for example, Q28
170 Financial Conduct Authority, 'Consultation Paper CP23/20: Diversity and inclusion in the financial sector – working together to drive change', 25 September 2023; N.b. the PRA published a complementary consultation paper that also included proposals on fitness and propriety for the firms it regulates.
171 See, for example, Diversity Project (SITC0013); SEEN in the City (SITC0041)
172 The Association of Mortgage Intermediaries (SITC0027)
173 Diversity Project (SITC0013)
174 Q31
175 Q196

relevant to fit and proper ought to be disclosed in regulatory references. So for anybody moving into a new role for the next six years that requires senior manager approval or a fit and proper assessment, you would expect that to be contained”.[176]

137. Despite these proposals, Nikhil Rathi, CEO of the FCA, cautioned that the FCA was at the limit of its legal powers, and its ability to take action against individuals under its new proposals would at some point be tested in the courts.[177] Nikhil Rathi also explained that it would be difficult to try to hold financial services to a higher standard than that set by Parliament for the whole economy in existing employment law.[178]

138. Witnesses to our inquiry welcomed the FCA’s focus on non-financial misconduct. For example, Adam Jacobs-Dean, Managing Director at trade body the Alternative Investment Management Association, told us:

> People really embrace the fact that the regulator is now focusing much more on non-financial misconduct right across the process for approving firms and individuals. That is absolutely crucial and a very welcome development as far as we are concerned.[179]

139. Adam Jacobs-Dean also thought it would be helpful to better articulate what some of the proposals mean in practice.[180] Sarah Boon, Managing Director at the trade body UK Finance, called for greater clarity on where the dividing line is between people’s private lives and working lives,[181] and noted that it would be important for supervisors to be adequately trained to ensure the rules would be applied consistently.[182]

140. Witnesses also highlighted that the regulator’s strongest proposals around non-financial misconduct would apply only to senior managers subject to fit and proper tests. Fiona Mackenzie MBE, CEO of women’s advocacy group The Other Half, told us this was challenging “because so much of this is happening at a lower level in the organisation. These are not people who are going through ‘fit and proper’ tests. They are junior managers, for instance, who are doing things on the scale of uncomfortable to criminal”.[183]

141. For the ‘COCON’ conduct rules that apply more widely to financial services employees, the FCA’s consultation paper proposes to expand the rules to cover “serious instances” of bullying or harassment, with disciplinary action to be taken only for “serious breaches”.[184] Baroness Helena Morrissey expressed concern that this was setting the bar too high to achieve the change required.[185]

142. On 27 February 2024 the FCA published a consultation paper containing proposals on its general approach to enforcement, with a view to being more transparent and

176 Q193
177 Oral evidence taken on 12 December 2023, HC (2023–24) 210, Q692
178 Qq209–210
179 Q56
180 Qq56–57
181 Q59
182 Q129
183 Q37
184 Financial Conduct Authority, ‘Consultation Paper CP23/20: Diversity and inclusion in the financial sector – working together to drive change’, 25 September 2023, p 25
185 Q35

providing additional deterrence against misconduct and harm within the industry.[186] The Committee has not yet taken any evidence on these proposals. Our Sub-Committee on Financial Services Regulations will consider the consultation proposals in detail in the future and, as always, we would welcome any evidence on this topic.

The FCA whistleblowing line

143. The FCA operates a whistleblowing line that can be used to report confidentially when someone has witnessed, or is aware of, wrongdoing in the workplace by an individual or firm the FCA regulates.[187]

144. We were told that awareness of the FCA's whistleblowing line or how it works was low. Some attendees at our roundtable event thought that fear of potential repercussions at work would make it a significant step for someone to decide to use the FCA's whistleblowing hotline to report sexual harassment.[188] Fiona Mackenzie MBE told us:

> We have the FCA whistleblowing hotline, which no one knows about. It is not very clear to women what happens when you call that number. Is your life about to get much worse?[189]

145. That said, there is evidence that increased awareness can result in greater willingness to use the whistleblowing line—the FCA told us that there had been a steady increase in reports made to the whistleblowing line since a previous evidence session in the summer of 2023.[190]

Non-disclosure agreements

146. Non-disclosure agreements (NDAs) are legally binding contracts that prohibit either party to the agreement from sharing specified information with external agents.[191] A prominent theme of the evidence we received in relation to sexual harassment in financial services was around the use of NDAs to 'cover up' allegations of abuse. For example, Can't Buy My Silence told us that there was increasing evidence of the widespread use of NDAs to "cover up abuse, harassment and discrimination, exemplified by high-profile scandals in the City, including most recently at Odey Asset Management".[192] The use of NDAs in sexual harassment cases was also highlighted by attendees at our roundtable event:

> Attendees thought that non-disclosure agreements (NDAs) were widely used in sexual harassment cases to protect firms from reputational damage and make problems 'go away'. Attendees noted that NDAs had the damaging effect of silencing the victims of sexual harassment while protecting the perpetrators. This removed the ability of victims to share their experience and removed an incentive for firms to take action to prevent sexual harassment.[193]

186 Financial Conduct Authority, 'Consultation Paper CP24/2: Our Enforcement Guide and publicising enforcement investigations–a new approach', 27 February 2024
187 Financial Conduct Authority, Whistleblowing: Speaking to the FCA, last updated 1 February 2024
188 Summary of the Committee's 'Sexism in the City' private roundtable event, November 2023
189 Q37
190 Q204
191 Acas, Non-disclosure agreements, last updated 25 April 2023
192 Can't Buy My Silence (SITC0035)
193 Summary of the Committee's 'Sexism in the City' private roundtable event, November 2023

147. Explaining how victims of abuse often felt they had no option but to sign an NDA, Baroness Helena Morrissey told us that people had come forward anonymously and "told us of how they have ended up signing a settlement agreement and being silenced. They feel bad about being bought out by it, but they do not see any other option for in any way emerging with anything intact from the problem".[194]

148. Although NDAs have legitimate commercial uses, there was a clear view that they should not be used in sexual harassment cases. Sarah Boon told us:

> From my perspective, there are situations where NDAs are appropriate. The things that you are talking about are not those situations. They should not be used. Indeed, the Law Society has been very clear on this point: that they should not be used to cover up criminal activity or for anything that is unethical.[195]

149. Many respondents to our inquiry suggested that financial services firms should be required to report data on their use of NDAs in misconduct cases.[196]

150. The FCA's consultation proposals on non-financial misconduct in financial services include a requirement for firms to tell the FCA when disciplinary action has been taken against an individual for non-financial misconduct, but not to report on the use of NDAs specifically.[197] The FCA suggested it would be open to considering such a requirement, however,[198] and a survey it has subsequently launched to look at how wholesale banks and wholesale insurers handle misconduct cases asks for information relating to the use of NDAs.[199]

151. Responding to a question on whether the FCA should be monitoring the number of NDAs that are used, the Minister for Women Maria Caulfield MP told us:

> That would be helpful. As a Minister, I just do not know the extent of the problem in the finance sector. I am aware of the extent in other sectors, such as health and education. That is why we took specific action in higher education. In finance, I do not know the exact extent of the problem.[200]

152. Many contributors to our inquiry suggested that the use of NDAs in misconduct or harassment cases should be banned.[201]

153. The Government has taken action to prevent misuse of NDAs in the education sector through the Higher Education (Freedom of Speech) Act 2023, which prohibits the use of NDAs in higher education in relation to complaints of sexual misconduct, bullying and

194 Q23
195 Q118
196 See, for example, 30% Club (SITC0055); and Summary of the Committee's 'Sexism in the City' private roundtable event, November 2023
197 Q206
198 Q207
199 Q194; Financial Conduct Authority, Letter: Notice to provide information - non-financial misconduct, 6 February 2024
200 Q260
201 Can't Buy My Silence (SITC0035); SEEN in the City (SITC0041)

harassment.[202] In evidence to the Women and Equalities Committee, the Minister for Women and Equalities Rt Hon. Kemi Badenoch MP confirmed that the Government was also looking into "an elegant solution" for preventing the misuse of NDAs more widely.[203]

154. Maria Caulfield MP also made a link between the Worker Protection Act and the use of NDAs in harassment cases, which she said, "goes against the spirit of that legislation".[204]

155. Despite a perception that an NDA prevents someone from reporting their experience to anyone, the FCA emphasised that nothing in an NDA can prevent an individual from reporting an incident to the FCA.[205] Similarly, Kemi Badenoch MP told the Women and Equalities Committee that an NDA does not prevent someone reporting a potential crime to the police.[206]

156. **We have been appalled by testimonies we have received about the prevalence of sexual harassment in the financial services industry, including from some of the brave women who told us about their experiences at our own private roundtable event. Although sexual harassment against women is a societal problem, it is worse in financial services than in many other sectors. This is completely unacceptable, and it is clear that further urgent action is required.**

157. **Firms need to adopt a zero-tolerance approach towards sexual harassment and abuse and take concrete action to embed this approach within their organisations. Impunity for perpetrators, who are often well known in their organisations for serial offending, must end. As well as being the right thing to do, several high-profile cases in 2023 show the potential negative impact on a firm if it fails to tackle sexual harassment by its staff. Senior leadership and boards need to take ownership of this issue and ensure that processes for handling complaints result in thorough investigations, protect those making the allegations, and result in appropriate consequences for those found to have perpetrated abuse or harassment. Firms should consider whether their human resources departments are able to fulfil this function, or whether there is a need to establish a separate, more independent process that reports directly to the senior leadership or board.**

158. **It is also important that firms tackle the 'softer end' of abusive behaviour and 'microaggressions' against women in order to create an inclusive culture in which even low-level bullying or harassment is seen as unacceptable. Firms should consider what steps they can take to achieve this, including the use of appropriate training, such as unconscious bias training and active bystander training.**

159. **It is vital that sexual harassment is viewed as a problem for everyone to solve, including men. Firms should do all they can to develop a culture in which men are encouraged and incentivised to act as allies and role models, and where men as well as women are encouraged to challenge and report instances of sexual harassment and abuse.**

202 Higher Education (Freedom of Speech Act) 2023
203 Oral evidence taken before the Women and Equalities Committee on 13 December 2023, HC 393, Q119
204 Q261
205 Q205, Q214
206 Oral evidence taken before the Women and Equalities Committee on 13 December 2023, HC 393, Q119

160. ***We have heard that whistleblowing processes within financial services firms are often ineffective at tackling bad behaviour or protecting those who report harassment. The Government is undertaking a review of whistleblowing laws, and we strongly recommend that the Government seeks to strengthen whistleblowing legislation to provide greater protection and support to whistleblowers in sexual harassment cases.***

161. **The new Worker Protection Act imposes a new duty on firms to prevent sexual harassment. We hope that this legislation has the desired impact of incentivising firms to take greater action to prevent harassment in the workplace, and we will monitor closely its effectiveness at reducing cases of sexual harassment in financial services.**

162. ***Given the potential overlap between the aims of the Worker Protection Act, which will be enforced by the Equality and Human Rights Commission (EHRC), and the proposals by the Financial Conduct Authority (FCA) on handling sexual misconduct in financial services, we recommend that the EHRC and the FCA clarify how they will work together to enforce the Worker Protection Act.***

163. **There is an important role for regulators to play in ensuring that firms tackle sexual harassment. We welcome the proposals by the Financial Conduct Authority and by the Prudential Regulation Authority to strengthen their regimes for tackling non-financial misconduct, including sexual misconduct. We note, however, that the regulators are constrained by their legal powers to take action, and acknowledge that they cannot take action in financial services that goes further than allowed for in wider employment and criminal law.**

164. **There is limited awareness of the FCA's whistleblowing line or how it works, and we believe there is scope to enhance its effectiveness and reduce the 'fear factor' victims of harassment face when reporting abuse.**

165. ***We recommend that the FCA launches an awareness campaign to publicise the availability of its whistleblowing line and clarify the circumstances in which it can be used, including that nothing in a non-disclosure agreement can prevent an individual from reporting harassment to the FCA. This could be part of a wider campaign to map out the different options available to women suffering abuse or harassment in financial services.***

166. **The widespread misuse of non-disclosure agreements (NDAs) in sexual harassment cases is shocking. NDAs have the effect of silencing the victim of harassment when they are forced out of an organisation, while protecting the perpetrator and leaving them free to continue their career.**

167. ***We are pleased that the Government is looking at ways to prevent this abusive use of NDAs, and we recommend the introduction of legislation to ban the use of NDAs in harassment cases.***

168. ***In the meantime, we recommend that the FCA collect data on the use of NDAs by regulated firms in cases of non-financial misconduct. This will provide a more detailed, quantitative picture of the extent of their use in financial services in harassment cases, which could provide valuable evidence to support further action.***

Conclusions and recommendations

Introduction

1. Our inquiry has revealed incremental improvements for women working in financial services on certain metrics, such as the proportion of women holding senior roles. Overall, there has been a disappointing lack of progress on sexual harassment and bullying, including serious sexual misconduct. Despite the best efforts of some far too little progress has been made and serious problems which should have been rooted out still persist. Significant concern remains, however, about the overall culture prevalent within the sector that holds back progress for women. While this Report deals with various challenges experienced by women in financial services, whether related to pay, harassment or maternity leave, as examples, it is this cultural deficit that allows them all to persist. Culture is also the most difficult area to seek to reform. (Paragraph 5)

Diversity and inclusion

2. There have been some positive signs of improvement in the senior representation of women in some firms and sectors within financial services since 2018. We commend both the Financial Conduct Authority and the Bank of England for leading by example in significantly increasing female representation at their most senior levels. But progress is still too slow and patchy, with some sectors in which there has been no improvement at all. It cannot be right, for example, that in 2024 just 12% of named fund managers in the UK are women. (Paragraph 42)

3. The Treasury's Women in Finance Charter has played an important role in driving the conversation on gender diversity and increasing accountability for signatory firms. Even so, progress on increasing female representation has been too slow. We believe that the scope of the Charter should be extended to help drive more meaningful change within financial services firms. (Paragraph 43)

4. *In particular, the focus of the Charter on female representation at just the senior management level is too narrow. There needs to be greater focus on ensuring there is a pipeline of female talent to support long-lasting, sustainable improvement in gender diversity in the sector. We therefore recommend that the Treasury extends the scope of the Women in Finance Charter to cover female representation at different levels of seniority.* (Paragraph 44)

5. *We heard that linking senior executive pay and bonuses to performance on diversity and inclusion can be an effective way to incentivise change, though this practice is not currently widespread. One of the Women in Finance Charter principles is for firms to have an 'intent' to link pay to delivery on gender diversity targets. Eight years on from the launch of the Charter, we think it is now time to sharpen this principle to increase its effect. We therefore recommend making the link to executive pay a firmer commitment under the Charter, on a 'comply or explain' basis.* (Paragraph 45)

6. First and foremost, it must be the responsibility of firms, boards and investors to drive improvements in diversity and inclusion, particularly given the clear evidence that

more diverse firms achieve better results. We heard that many firm-level initiatives aimed at improving diversity and inclusion were often not treated in the same way as other core business priorities. We encourage firms, boards and investors to put this right and ensure diversity and inclusion is given the same focus as any other core business priority. The lack of progress in the past five years cannot be tolerated indefinitely. The loss of potential is just too great. (Paragraph 46)

7. We welcome the focus of the PRA and FCA on diversity and inclusion in financial services, and agree they have a role to play. We have concerns, however, about their proposals to require firms to implement strategies, collect and report data and set targets. These requirements would be costly for firms to implement and have unclear benefits, while not capturing the many smaller firms that we have heard have some of the worst cultures and levels of diversity. We are also concerned that the requirements would be treated by many firms as another 'tick-box' compliance exercise, rather than necessarily driving the much-needed cultural change. Instead, we recommend that all financial services firms, particularly private businesses, hedge funds and other smaller firms, sign up to the voluntary Women in Finance Charter. (Paragraph 47)

8. *We recommend that the regulators drop their plans for extensive data reporting and target setting. In our view, a lack of diversity is a problem that the market itself should be able to solve without such extensive regulatory intervention. Boards and senior leadership of firms should take greater responsibility for improving diversity and inclusion given that it should lead to a competitive advantage in the development of talent. Firms that perform best on diversity and inclusion and have the best cultures should be able to benefit from the clear business advantages this provides, leaving those that perform badly in these areas to suffer the consequences for their reduced competitiveness and profitability.* (Paragraph 48)

Barriers facing women

9. It is clear that maternity remains a significant barrier to women in financial services, with too many women leaving the industry after having children. We have heard that increased availability and take-up of paternity leave and shared parental leave by men can have a significant impact on reducing this barrier by fostering a more equal sharing of childcare responsibilities. Increased transparency around the maternity, paternity and parental leave offered by firms would also incentivise improvement in this area and allow both men and women to take account of these policies when moving roles, without having to ask for them during job interviews. (Paragraph 75)

10. *We recommend that the Government and regulators encourage all firms to consider equalising their offer of parental leave for men and women, and to actively encourage more men to take it up. We also recommend that the Government and regulators encourage firms to be transparent about their maternity and parental leave policies, including when advertising roles, by publishing them on their company websites.* (Paragraph 76)

11. Hybrid working spread accidentally and unplanned as a result of the Covid pandemic and the full benefits and costs of new hybrid and remote working arrangements continue to be identified. Those arrangements have, however, provided substantial

new opportunities for more flexible working patterns from which women, particularly those with children or other caring responsibilities, have benefited. There is a risk that those benefits will be lost if financial sector firms push back towards "presenteeist" office working cultures without considering what has been gained, especially for women. (Paragraph 77)

12. There are also risks that women lose out on promotion or pay progression possibilities if the change in practice towards hybrid and remote working is not accompanied with a change in the culture of firms and the mindset of managers towards ensuring equal opportunity and treatment between those who work more of their hours at home and those who work more in the office. (Paragraph 78)

13. *We recommend that the Government and regulators encourage firms to undertake equality impact assessments on their flexible working policies and the interaction with diversity and inclusion within their firm.* (Paragraph 79)

14. *We recommend that the Government and regulators encourage firms to advertise as many roles as possible to be available on flexible and part-time bases, as a way to attract and retain as wide a talent pool as possible, especially women.* (Paragraph 80)

15. Welcome progress has been made in recognising the effect of the menopause and in identifying ways of assisting those affected to overcome the challenges it presents without having to leave their jobs. That progress, as in other areas of this Report, needs to be taken further. (Paragraph 81)

16. *We recommend that Government continue to encourage firms to recognise the impact of menopause and to establish policies and support for those who are affected to ensure that their experience and talents are not prematurely lost from the industry.* (Paragraph 82)

Pay

17. The financial services sector is well paid compared to many other industries, but it has the largest gender pay gap of any sector in the UK economy and that pay gap is reducing at such a glacial pace that it could take 70 years to close it at the current rate of progress. That is simply not good enough for such an important sector of the UK economy, and it is clear that further specific action targeted at reducing pay gaps is required. (Paragraph 104)

18. *Given that gender bonus gaps are typically even larger than gender pay gaps, we are concerned that the removal of the bankers' bonus cap could increase the difference between the overall take-home pay of men and women in financial services, especially given that pay gap reporting appears to provide little incentive against this. We recommend that the PRA and FCA monitor this closely, and formally review the impact of the bonus cap removal on gender pay inequality in two years' time.* (Paragraph 105)

19. Gender pay gap reporting has increased transparency around pay gaps, but it has not incentivised firms to take action to reduce pay gaps in the way that had been hoped and we are concerned by the evidence we heard that suggests large pay gaps in financial services have come to be accepted as the 'norm'. (Paragraph 106)

20. *We therefore recommend that the Government strengthens the pay gap reporting regulations to incentivise firms to make faster progress. Specifically, we recommend it be made mandatory for firms with a pay or bonus gap above a certain threshold to publish a narrative explaining the drivers of the gap(s) and an action plan for how they will reduce them. We also recommend that the employer size threshold for pay gap reporting be reduced from 250 employees to 50 employees, at least for firms in financial services given the extent of the problem in this sector.* (Paragraph 107)

21. *We repeat our predecessor Committee's recommendations that the Government considers amending the pay gap reporting guidance so that partners' remuneration is included, and that the granularity of pay gap reporting be increased to provide more clarity around where pay gaps exist within firms and incentivise more targeted action to reduce them.* (Paragraph 108)

22. We have heard compelling evidence that a lack of pay transparency, particularly at the recruitment stage, exacerbates and perpetuates gender pay gaps. It is vital that employees are paid based on their experience, skills and value to an organisation, rather than on their prior salary or ability to negotiate. (Paragraph 109)

23. *While we recognise the Government's plans for a pay transparency pilot as a first step to exploring these issues, we are concerned by the lack of progress since the pilot was announced two years ago. Given the very clear case for action, the Government should act now rather than await the outcome of a pilot scheme that will include just a single organisation. We recommend that the Government introduces legislation to mandate the inclusion of salary band information on job advertisements, and to ban prospective employers from asking for salary history as part of the job application process.* (Paragraph 110)

Sexual Harassment

24. We have been appalled by testimonies we have received about the prevalence of sexual harassment in the financial services industry, including from some of the brave women who told us about their experiences at our own private roundtable event. Although sexual harassment against women is a societal problem, it is worse in financial services than in many other sectors. This is completely unacceptable, and it is clear that further urgent action is required. (Paragraph 156)

25. Firms need to adopt a zero-tolerance approach towards sexual harassment and abuse and take concrete action to embed this approach within their organisations. Impunity for perpetrators, who are often well known in their organisations for serial offending, must end. As well as being the right thing to do, several high-profile cases in 2023 show the potential negative impact on a firm if it fails to tackle sexual harassment by its staff. Senior leadership and boards need to take ownership of this issue and ensure that processes for handling complaints result in thorough investigations, protect those making the allegations, and result in appropriate consequences for those found to have perpetrated abuse or harassment. Firms should consider whether their human resources departments are able to fulfil this function, or whether there is a need to establish a separate, more independent process that reports directly to the senior leadership or board. (Paragraph 157)

26. It is also important that firms tackle the 'softer end' of abusive behaviour and 'microaggressions' against women in order to create an inclusive culture in which even low-level bullying or harassment is seen as unacceptable. Firms should consider what steps they can take to achieve this, including the use of appropriate training, such as unconscious bias training and active bystander training. (Paragraph 158)

27. It is vital that sexual harassment is viewed as a problem for everyone to solve, including men. Firms should do all they can to develop a culture in which men are encouraged and incentivised to act as allies and role models, and where men as well as women are encouraged to challenge and report instances of sexual harassment and abuse. (Paragraph 159)

28. *We have heard that whistleblowing processes within financial services firms are often ineffective at tackling bad behaviour or protecting those who report harassment. The Government is undertaking a review of whistleblowing laws, and we strongly recommend that the Government seeks to strengthen whistleblowing legislation to provide greater protection and support to whistleblowers in sexual harassment cases.* (Paragraph 160)

29. The new Worker Protection Act imposes a new duty on firms to prevent sexual harassment. We hope that this legislation has the desired impact of incentivising firms to take greater action to prevent harassment in the workplace, and we will monitor closely its effectiveness at reducing cases of sexual harassment in financial services. (Paragraph 161)

30. *Given the potential overlap between the aims of the Worker Protection Act, which will be enforced by the Equality and Human Rights Commission (EHRC), and the proposals by the Financial Conduct Authority (FCA) on handling sexual misconduct in financial services, we recommend that the EHRC and the FCA clarify how they will work together to enforce the Worker Protection Act.* (Paragraph 162)

31. There is an important role for regulators to play in ensuring that firms tackle sexual harassment. We welcome the proposals by the Financial Conduct Authority and by the Prudential Regulation Authority to strengthen their regimes for tackling non-financial misconduct, including sexual misconduct. We note, however, that the regulators are constrained by their legal powers to take action, and acknowledge that they cannot take action in financial services that goes further than allowed for in wider employment and criminal law. (Paragraph 163)

32. There is limited awareness of the FCA's whistleblowing line or how it works, and we believe there is scope to enhance its effectiveness and reduce the 'fear factor' victims of harassment face when reporting abuse. (Paragraph 164)

33. *We recommend that the FCA launches an awareness campaign to publicise the availability of its whistleblowing line and clarify the circumstances in which it can be used, including that nothing in a non-disclosure agreement can prevent an individual from reporting harassment to the FCA. This could be part of a wider campaign to map out the different options available to women suffering abuse or harassment in financial services.* (Paragraph 165)

34. The widespread misuse of non-disclosure agreements (NDAs) in sexual harassment cases is shocking. NDAs have the effect of silencing the victim of harassment when they are forced out of an organisation, while protecting the perpetrator and leaving them free to continue their career. (Paragraph 166)

35. *We are pleased that the Government is looking at ways to prevent this abusive use of NDAs, and we recommend the introduction of legislation to ban the use of NDAs in harassment cases.* (Paragraph 167)

36. *In the meantime, we recommend that the FCA collect data on the use of NDAs by regulated firms in cases of non-financial misconduct. This will provide a more detailed, quantitative picture of the extent of their use in financial services in harassment cases, which could provide valuable evidence to support further action.* (Paragraph 168)

Formal minutes

Tuesday 5 March 2024

Members present

Harriett Baldwin, in the Chair

Dr Thérèse Coffey

Dame Angela Eagle

Stephen Hammond

Keir Mather

Anne Marie Morris

Sexism in the City

Draft Report (*Sexism in the City*), proposed by the Chair, brought up and read.

Ordered, That the Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 168 read and agreed to.

Summary agreed to.

Resolved, That the Report be the Sixth Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

Adjournment

Adjourned till Tuesday 12 March at 10.00 am.

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the inquiry publications page of the Committee's website.

Tuesday 17 October 2023

Baroness Helena Morrissey, Chair, Diversity Project; **Fiona Mackenzie MBE**, CEO, The Other Half; **Mark Freed**, CEO, E2W and Men for Inclusion; **Alesha De-Freitas MBE**, Head of Policy, Research and Advocacy, The Fawcett Society Q1–38

Wednesday 15 November 2023

Sarah Boon, Managing Director, UK Finance; **Yvonne Braun**, Director, Association of British Insurers (ABI); **Adam Jacobs-Dean**, Managing Director, The Alternative Investment Management Association (AIMA); **Karen Northey**, Director, The Investment Association Q39–130

Wednesday 13 December 2023

Dame Amanda Blanc, Women in Finance Charter Champion, CEO, Aviva Plc; **Nishma Gosrani OBE**, Partner, Bain & Company – Financial Services Q131–181

Wednesday 17 January 2024

Nikhil Rathi, Chief Executive, Financial Conduct Authority; **Sarah Pritchard**, Executive Director, Markets and Executive Director, International, Financial Conduct Authority; **Sam Woods**, Chief Executive, Prudential Regulation Authority; **Vicky Saporta**, Executive Director, Prudential Policy, Prudential Regulation Authority Q182–234

Maria Caulfield MP, Parliamentary Under-Secretary of State (Minister for Women); **The Baroness Vere of Norbiton**, Parliamentary Secretary, HM Treasury Q235–283

Published written evidence

The following written evidence was received and can be viewed on the inquiry publications page of the Committee's website.

SITC INQ numbers are generated by the evidence processing system and so may not be complete.

1 30% Club (SITC0055)

2 Anonymised (SITC0021)

3 Anonymised (SITC0065)

4 Anonymised (SITC0029)

5 Anonymised (SITC0001)

6 Anonymised (SITC0004)

7 Association of Accounting Technicians (AAT) (SITC0018)

8 Association of British Insurers (SITC0038)

9 Association of Investment Companies (SITC0051)

10 Aviva (SITC0009)

11 BVCA (SITC0058)

12 Bain & Company (SITC0068)

13 Better Daddies (SITC0048)

14 Business in the Community (SITC0061)

15 CFA UK (SITC0054)

16 CIPD (SITC0049)

17 Can't Buy My Silence (SITC0035)

18 Chartered Banker Institute (SITC0033)

19 Chartered Institute for Securities & Investment (CISI) (SITC0012)

20 Chartered Insurance Institute (SITC0060)

21 Chartered Management Institute (SITC0005)

22 City Hive (SITC0015)

23 Coventry Building Society (SITC0044)

24 Delaere, Nathalie (SITC0011)

25 Diversity Project (SITC0013)

26 Dr Ylva Baeckström (SITC0067)

27 E2W Limited (SITC0006)

28 E2W and Men for Inclusion (SITC0063)

29 Equality and Human Rights Commission (SITC0052)

30 Financial Conduct Authority (SITC0059)

31 Financial Reporting Council (SITC0016)

32 International Securities Lending Association (ISLA) (SITC0032)

33 Lloyd's of London (SITC0040)

34 Men for Inclusion / E2W (SITC0002)
35 Metro Bank (SITC0017)
36 Morrissey, Baroness Helena (SITC0066)
37 NatWest Group (SITC0025)
38 New Financial (SITC0030)
39 One Loud Voice For Women (SITC0023)
40 Organise (SITC0026)
41 Pensions and Lifetime Savings Association (SITC0056)
42 Phoenix Group (SITC0034)
43 Protect (SITC0024)
44 PwC UK (SITC0022)
45 Responsible Investor (SITC0039)
46 SEEN in the City (SITC0041)
47 TSB Bank (SITC0053)
48 The Association of Mortgage Intermediaries (SITC0027)
49 The Fawcett Society (SITC0045)
50 The Investment Association (SITC0062)
51 The Other Half (SITC0064)
52 The Other Half (SITC0046)
53 UK Sustainable Investment and Finance Association (UKSIF) (SITC0036)
54 Unite (SITC0007)
55 Verdin, Dr Rachel (SITC0069)
56 Virgin Money (SITC0028)
57 Zurich UK (SITC0019)

List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the publications page of the Committee's website.

Session 2023–24

Number	Title	Reference
1st	The digital pound: still a solution in search of a problem?	HC 215
2nd	Edinburgh Reforms One Year On: Has Anything Changed?	HC 221
3rd	Appointment of Nathanaël Benjamin to the Financial Policy Committee	HC 443
4th	The work of the Sub-Committee on Financial Services Regulations: January 2024	HC 496
5th	Quantitative Tightening	HC 219
1st Special	The Digital Pound: A solution in search of a problem?: Government and Bank of England Response to the Committee's First Report	HC 535
2nd Special	Edinburgh Reforms One Year On: Has Anything Changed? Government Response to the Committee's Second Report	HC 585

Session 2022–23

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1st	Future of financial services regulation	HC 141
2nd	Future Parliamentary scrutiny of financial services regulations	HC 394
3rd	The appointment of Dr Swati Dhingra to the Monetary Policy Committee	HC 460
4th	Jobs, growth and productivity after coronavirus	HC 139
5th	Appointment of Marjorie Ngwenya to the Prudential Regulation Committee	HC 461
6th	Appointment of David Roberts as Chair of Court, Bank of England	HC 784
7th	Re-appointment of Sir Dave Ramsden as Deputy Governor for Markets and Banking, Bank of England	HC 785
8th	Autumn Statement 2022 – Cost of living payments	HC 740
9th	Appointment of Ashley Alder as Chair of the Financial Conduct Authority	HC 786
10th	The work of the Sub-Committee on Financial Services Regulations	HC 952
11th	Fuel Duty: Fiscal forecast fiction	HC 783

Number	Title	Reference
12th	Appointment of Professor Randall Kroszner to the Financial Policy Committee	HC 1029
13th	Scam reimbursement: pushing for a better solution	HC 939
14th	The work of the Sub-Committee on Financial Services Regulations	HC 952-i
15th	Regulating Crypto	HC 615
16th	Tax Simplification	HC 723
17th	The appointment of Megan Greene to the Monetary Policy Committee	HC 1395
18th	The work of the Sub- Committee on Financial Services Regulations	HC 952-ii
19th	The venture capital market	HC 134
20th	Tax Reliefs	HC 723
1st Special	Defeating Putin: the development,implementation and impact of economic sanctions on Russia: Government Response to the Committee's Twelfth Report of Session 2021–22	HC 321
2nd Special	Future of financial services regulation: responses to the Committee's First Report	HC 690
3rd Special	Jobs, growth and productivity after coronavirus: Government response to the Committee's Fourth Report	HC 861
4th Special	Autumn Statement 2022 – Cost of living payments: Government response to the Committee's Eighth Report	HC 1166
5th Special	Fuel Duty: Fiscal forecast fiction: Government response to the Committee's Eleventh Report	HC 1242
6th Special	Scam reimbursement: pushing for a better solution: Payment Systems Regulator's response to the Committee's Thirteenth Report	HC 1500
7th Special	Regulating Crypto: Government Response to the Committee's Fifteenth Report	HC 1752
8th Special	Tax Reliefs: Government Response to the Committee's Twentieth Report	HC 1875
9th Special	Venture Capital: Government Response to the Committee's Nineteenth Report of Session 2022–23	HC 1876

Session 2021–22

Number	Title	Reference
1st	Tax after coronavirus: the Government's response	HC 144
2nd	The appointment of Tanya Castell to the Prudential Regulation Committee	HC 308
3rd	The appointment of Carolyn Wilkins to the Financial Policy Committee	HC 307

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4th	The Financial Conduct Authority's Regulation of London Capital & Finance plc	HC 149
5th	The Future Framework for Regulation of Financial Services	HC 147
6th	Lessons from Greensill Capital	HC 151
7th	Appointment of Sarah Breeden to the Financial Policy Committee	HC 571
8th	The appointment of Dr Catherine L. Mann to the Monetary Policy Committee	HC 572
9th	The appointment of Professor David Miles to the Budget Responsibility Committee of the Office for Budget Responsibility	HC 966
10th	Autumn Budget and Spending Review 2021	HC 825
11th	Economic crime	HC 145
12th	Defeating Putin: the development, implementation and impact of economic sanctions on Russia	HC 1186
1st Special	Net Zero and the Future of Green Finance: Responses to the Committee's Thirteenth Report of Session 2019–21	HC 576
2nd Special	The Financial Conduct Authority's Regulation of London Capital & Finance plc: responses to the Committee's Fourth Report of Session 2021–22	HC 700
3rd Special	Tax after coronavirus: response to the Committee's First Report of Session 2021–22	HC 701
4th Special	The Future Framework for Regulation of Financial Services: Responses to the Committee's Fifth Report	HC 709
5th Special	Lessons from Greensill Capital: Responses to the Committee's Sixth Report of Session 2021–22	HC 723
6th Special	The appointment of Professor David Miles to the Budget Responsibility Committee of the Office for Budget Responsibility: Government response to the Committee's Ninth Report	HC 1184
7th Special	Autumn Budget and Spending Review 2021: Government Response to the Committee's Tenth Report	HC 1175
8th Special	Economic Crime: responses to the Committee's Eleventh Report	HC 1261

Session 2019–21

Number	Title	Reference
1st	Appointment of Andrew Bailey as Governor of the Bank of England	HC 122
2nd	Economic impact of coronavirus: Gaps in support	HC 454
3rd	Appointment of Richard Hughes as the Chair of the Office for Budget Responsibility	HC 618

Number	Title	Reference
4th	Appointment of Jonathan Hall to the Financial Policy Committee	HC 621
5th	Reappointment of Andy Haldane to the Monetary Policy Committee	HC 620
6th	Reappointment of Professor Silvana Tenreyro to the Monetary Policy Committee	HC 619
7th	Appointment of Nikhil Rathi as Chief Executive of the Financial Conduct Authority	HC 622
8th	Economic impact of coronavirus: the challenges of recovery	HC 271
9th	The appointment of John Taylor to the Prudential Regulation Committee	HC 1132
10th	The appointment of Antony Jenkins to the Prudential Regulation Committee	HC 1157
11th	Economic impact of coronavirus: gaps in support and economic analysis	HC 882
12th	Tax after coronavirus	HC 664
13th	Net zero and the Future of Green Finance	HC 147
1st Special	IT failures in the financial services sector: Government and Regulators Responses to the Committee's Second Report of Session 2019	HC 114
2nd Special	Economic Crime: Consumer View: Government and Regulators' Responses to Committee's Third Report of Session 2019	HC 91
3rd Special	Economic impact of coronavirus: Gaps in support: Government Response to the Committee's Second Report	HC 662
4th Special	Economic impact of coronavirus: Gaps in support: Further Government Response	HC 749
5th Special	Economic impact of coronavirus: the challenges of recovery: Government Response to the Committee's Eighth Report	HC 999
6th Special	Economic impact of coronavirus: gaps in support and economic analysis: Government Response to the Committee's Eleventh Report	HC 1383