

Equal pay audit 2014–15

Ofsted is committed to putting equality and human rights at the heart of everything we do. We recognise that this commitment is not only about ensuring equality of opportunity for our workforce, but also that the organisations that we inspect and regulate fulfil their responsibilities to promote equality and human rights.

This report focuses solely on equal opportunities within Ofsted.

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Introduction

Ofsted's aims for equality and diversity in employment

Ofsted is committed to equality and diversity being at the heart of everything we do, ensuring not only equality of opportunity for our workforce but also that the organisations that we inspect and regulate fulfil their responsibility to promote equality and diversity. Ofsted has four core values that underpin everything we do. One of these values sets out to ensure that we as an organisation, together with all our staff, value each other's differences.

Ofsted supports the principle of equal pay for work of equal value. We operate a single-salary model, which is one of the purest forms of equal pay and is based on objective criteria. Our aim is to have in place a total remuneration package that is transparent, internally consistent, and fair to all employees. As part of the commitment to putting equal pay principles into practice, we regularly monitor the impact of our pay practices.

2010–11 Equal pay audit

Ofsted carried out an equal pay audit in 2010–11 (2010–11 EPA) using the Equality and Human Rights Commission best practice principles. This report reflected the position as at 1 September 2010.

The headline pay gap findings from this report are below and the full report is available [here](#).

- Gender gap: -10.6%
- Full-time gap: -7.8%
- Part-time gap: -38.8%
- Disability gap: 3.1%
- Minority ethnic gap: -16.4%.

Context

1. The Equal Pay Act 1970, as amended in 1983, provides for an employee to seek equal pay with a comparator of the opposite sex in the same employment, doing equal work. April 2007 also saw the introduction of the Gender Equality Duty, which requires public sector employers to produce a gender scheme and action plan.
2. The Equality Act 2010 (the Act) ensures consistency in what organisations need to do to make their workplace a fair environment and to comply with the law. While the Act does not require employers to publicly declare their gender pay gaps, Ofsted remains committed to promoting greater transparency on gender employment issues in the workplace.
3. The 'equality of terms' provisions in the Act entitle a woman doing equal work with a man in the same employment, known as her comparator, to equality in pay and other terms and conditions.
4. A government consultation in relation to equal pay concluded in September 2015, with new regulations likely to be set out from April 2016.

What is an equal pay audit?

5. According to the Equality and Human Rights Commission, an equal pay audit is considered the most effective way of establishing whether an organisation is providing equal pay and rewarding employees fairly in practice.
6. An equal pay audit involves:
 - comparing the pay of men and women doing equal work
 - identifying any pay gaps
 - explaining and justifying gaps using objective criteria
 - addressing any gaps that cannot satisfactorily be explained on the grounds of work content
 - ongoing monitoring.
7. Comparisons have been made against each grade population, comparing the pay of staff by gender on the basis of equal pay for work of equal value, therefore determining the true gender pay gaps between differing roles across the organisation.

Data collection and methodology

8. This document follows the best practice as recommended by the Equality and Human Rights Commission.

9. A pay gap report gives details of pay comparisons between men and women by grade and by overall staff grouping. Detailed comparisons within grades are not shown as this would enable individuals to be identified. To protect employees' personal data, the tables within this report have been redacted where the headcount is less than five.
10. The information reflects the position as at 31 March 2015.
11. The overall organisational workforce equality data is included in Annex A.
12. The categories that were extracted for the various reports are: grade, gender, pay, ethnicity, disability, sexual orientation, length of service in organisation and hours worked (full time or part time).
13. The reports indicate the percentage value of any pay gaps. Pay gaps are the best practice unit of measurement for comparing and analysing salary differentials within the protected characteristics. **Pay gaps are shown as a positive percentage if the target group, for example females, are paid less than the comparator group.** Five pay gap reports were conducted:
 - all staff: gender
 - full-time staff only: gender
 - part-time staff only: gender
 - disability
 - ethnicity
 - sexual orientation.
14. Senior Civil Servants (SCS) are not included in this analysis as this equal pay audit is prepared for the 2014–15 pay remit, which does not include the SCS.
15. The Equality and Human Rights Commission advises that any gaps of 5% or more between the average pay of men and women in the same grade is 'significant' and should be investigated. The threshold for significance and recommended further investigation drops to gaps of 3% or more where there is a pattern of gaps favouring one gender.
16. The following formula has been used to calculate the pay gaps:

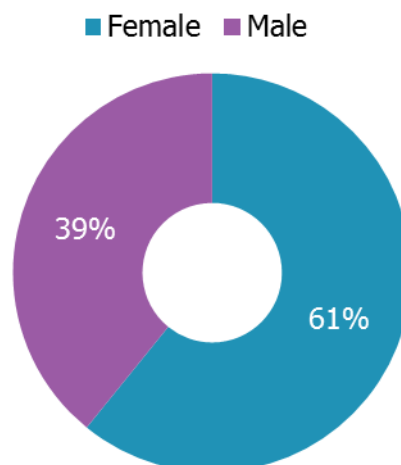
$$\text{Pay gap} = (\text{mean male pay} - \text{mean female pay}) / (\text{mean female pay})$$
17. Mean average full-time equivalent (FTE) salaries have been used throughout this report, to ensure that comparators can be drawn from the 2010–2011 report. Use of mean, as opposed to median salaries, ensures that the full range of pay data is considered to present a representative and complete picture of pay across the organisation.

18. All wider Civil Service comparisons have been sourced from the Annual Civil Service Employment Survey, as at 31 March 2015, produced by the Office for National Statistics.
19. Non-disclosed staff (disabilities, BAME, sexual orientation) are not included in the pay gap report.
20. Total salary includes basic pay and the following allowances – out of office, enhanced responsibility, accountancy, on-call, marked time, and labour market supplement.

Pay data analysis and evaluation

Gender

Ofsted staff gender breakdown



21. Women form 61% of the overall organisation population and the majority of the inspectorate workforce. This is higher than the average Civil Service female population, which was 54% on the 31 March 2015.
22. The table below illustrates that when comparisons are made within roles of the same grade (of equal work) the average pay gap is very small, and this is similar to what the 2010–11 EPA showed. This is expected under the single-salary model. However, due to the higher proportional incidence of men at the top of the structure (Senior HMI, Principal Officer and HMI grades), an overall organisational pay gap of 7.6% is produced. This figure is derived from the difference between the overall average basic salaries of each gender and is irrespective of grade. Adhering to best practice reports, this figure is expressed as a percentage of the comparator value.

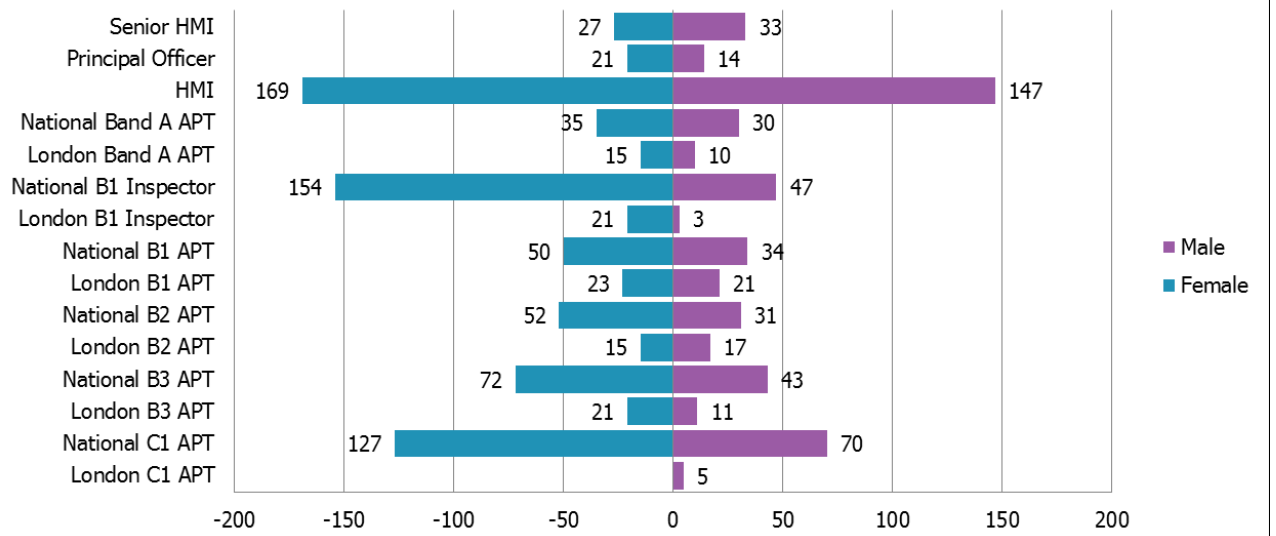
Table 1. Gender pay gap analysis

Grade	Count		Length of service in organisation		Total Salary		Pay Gap
	Female	Male	Female	Male	Female	Male	
Senior HMI	27	33	7.8	7.8	£80,812	£80,550	-0.3%
Principal Officer	21	14	7.0	9.4	£70,080	£71,291	1.7%
HMI	169	147	6.1	6.1	£70,284	£70,298	0.0%
National Band A APT	35	30	8.3	6.5	£56,919	£57,369	0.8%
London Band A APT	15	10	5.5	8.9	£59,251	£61,354	3.5%
National B1 Inspector	154	47	6.6	7.4	£46,807	£46,541	-0.6%
London B1 Inspector	21	3	8.2	5.7	£46,676	£46,436	-0.5%
National B1 APT	50	34	8.5	6.4	£36,125	£36,062	-0.2%
London B1 APT	23	21	8.2	9.3	£39,774	£40,641	2.2%
National B2 APT	52	31	7.7	6.0	£29,243	£29,402	0.5%
London B2 APT	15	17	6.7	11.2	£32,246	£32,661	1.3%
National B3 APT	72	43	7.6	5.9	£23,220	£22,517	-3.0%
London B3 APT	21	11	8.3	10.5	£26,203	£25,960	-0.9%
National C1 APT	127	70	7.3	4.9	£18,528	£18,485	-0.2%
London C1 APT	-	5	-	10.8	-	£21,528	-
Organisational Average	802	516	7.1	6.8	£44,765	£48,165	7.6%

- denotes no data

23. Using the 2010–11 EPA report as a comparator, we can report that the overall pay gap has reduced from 10.6% to 7.6%. One of the most significant reductions occurred in the National B1 Inspector grade, which reduced from 2.7% to -0.6%.
24. Ofsted’s overall gender pay gap of 7.6% is lower than the mean 2015 overall Civil Service figure of 12.2%.
25. Our pay gaps, on a grade-by-grade basis, are minimal. Of the six grades experiencing significant pay gaps, the highest gap of 3.5% occurs at the London Band A APT grade. Further analysis of this highlights the impact of significant allowances at this grade, including accountancy allowances. The removal of such allowances reduces this pay gap to -0.6%.
26. The main cause of the overall organisational pay gap is the comparative distribution of men and women across the organisation (see Figure 1 below). The higher proportion of females at the middle and lower grades, especially at the B1 (Inspector and APT) and C1 APT grades impacts the overall gender pay gap percentage.

Figure 1. Ofsted employees at each grade by gender



Full time and part time

Table 2. Full-time pay gap analysis

Grade	Count		Length of service		Total Salary		Pay Gap
	Female	Male	Female	Male	Female	Male	
Senior HMI	27	33	7.8	7.8	£80,812	£80,550	-0.3%
Principal Officer	18	14	7.6	9.4	£70,028	£71,291	1.8%
HMI	143	120	5.3	5.0	£70,520	£70,498	0.0%
National Band A APT	33	29	8.5	6.8	£57,000	£57,439	0.8%
London Band A APT	13	10	4.8	8.9	£59,353	£61,354	3.4%
National B1 Inspector	140	46	6.2	7.3	£46,862	£46,563	-0.6%
London B1 Inspector	19	3	8.3	5.7	£46,630	£46,436	-0.4%
National B1 APT	47	33	8.3	6.1	£36,140	£36,064	-0.2%
London B1 APT	21	21	8.1	9.3	£39,847	£40,641	2.0%
National B2 APT	45	31	7.4	6.0	£29,219	£29,402	0.6%
London B2 APT	13	17	5.9	11.2	£32,262	£32,661	1.2%
National B3 APT	62	43	7.4	5.9	£23,255	£22,517	-3.2%
London B3 APT	19	10	8.1	10.6	£26,221	£25,953	-1.0%
National C1 APT	82	66	6.5	4.7	£18,511	£18,499	-0.1%
London C1 APT	-	5	-	10.8	-	£21,528	-
Grand Total	682	481	6.7	6.5	£45,973	£47,283	2.8%

- denotes no data

27. The gender pay gap for full-time staff is 2.8%, which is lower than the Civil Service full-time average of 8.2%. This is also a reduction from the 2010–11 EPA figure of 7.8%.

Table 3. Part-time pay gap analysis

Grade	Count		Length of service		Total Salary		Pay Gap
	Female	Male	Female	Male	Female	Male	
Senior HMI	-	-	-	-	-	-	-
Principal Officer	*	-	3.7	-	£70,396	-	-
HMI	26	27	10.4	11.4	£68,988	£69,411	0.6%
National Band A APT	*	*	6.0	0.0	£55,590	£55,317	-0.5%
London Band A APT	*	-	10.0	-	£58,590	-	-
National B1 Inspector	14	*	10.4	12.0	£46,251	£45,500	-1.6%
London B1 Inspector	*	-	8.0	-	£47,110	-	-
National B1 APT	*	*	11.7	14.0	£35,886	£36,002	0.3%
London B1 APT	*	-	9.0	-	£39,002	-	-
National B2 APT	7	-	9.6	-	£29,399	-	-
London B2 APT	*	-	11.5	-	£32,144	-	-
National B3 APT	10	-	8.8	-	£23,003	-	-
London B3 APT	*	*	10.5	10.0	£26,029	£26,029	0.0%
National C1 APT	45	*	8.7	8.5	£18,559	£18,245	-1.7%
London C1 APT	-	-	-	-	-	-	-
Grand Total	120	35	9.3	10.8	£37,900	£60,283	59.1%

* denotes where data has been hidden to protect identities

- denotes no data

28. As at 31 March 2015, there were 120 women and 35 men working on a part-time basis, which, for this audit, means less than a 36-hour week. It should be noted that, in line with best practice and methodology, part-time staff salary is

annualised and is not dependant on the actual number of hours worked by the individual.

29. The part-time gender pay gap is significant, at 59.1%. This shows an increase from the 2010–11 EPA figures of 38.8%. The Civil Service comparator for part time staff in 2015 is 16.4%.
30. The historical reason for the large differential the fact that part-time staff are mainly in the lower grades. There are no pay gaps wider than -1.7% within the grades, however the high proportion of men in the HMI grade with part-time working arrangements (predominantly annualised hours and term-time only arrangements) results in a higher average salary (£69,411), thus skewing the overall figure.
31. Although this specific pay gap is based not on gender but on average pay between full-time and part-time staff, it has a major influence on the gender pay gap. As most part-time workers are women, the lower average part-time hourly earnings widen the gender pay gap and are recognised as a key contributory reason behind the continuation of gender pay gaps across the UK labour market.

Disability

32. In March 2015, 7.1% of the workforce declared themselves to have disabilities. Ofsted has developed a supportive framework for recruiting, retaining and providing development opportunities for employees who have disabilities, which aims to increase staff confidence and encourage more employees to feel comfortable declaring a disability.
33. The creation of an employee network for staff who have disabilities is an example of this commitment, providing a supportive framework with a network of personal contacts, advice and support. Our recruitment and selection policy also sets out a guaranteed interview scheme for all candidates who have disabilities and who meet the minimum entry-level requirements for the job vacancy. We also provide a reasonable adjustment passport to help staff who have disabilities to access the support they need.
34. Table 3 below demonstrates that the overall pay gap for staff who have disabilities is -1.3%, which has reduced from the 2010–11 EPA figure of -3%. For comparison, the Civil Service 2015 figure is -1.0%.

Table 4. Disability pay gap analysis

Grade	Count		Length of service in organisation		Total Salary		Pay Gap
	Disabled	Non disabled	Disabled	Non disabled	Disabled	Non disabled	
Senior HMI	*	55	11.0	7.8	£80,169	£80,704	0.7%
Principal Officer	*	32	11.3	7.7	£69,558	£70,659	1.6%
HMI	23	281	8.7	5.7	£69,994	£70,312	0.5%
National Band A APT	*	58	12.3	7.3	£57,707	£57,143	-1.0%
London Band A APT	*	22	13.3	6.0	£60,182	£60,080	-0.2%
National B1 Inspector	20	175	7.7	6.7	£47,075	£46,731	-0.7%
London B1 Inspector	*	19	9.7	7.2	£46,750	£46,287	-1.0%
National B1 APT	9	72	9.8	7.1	£35,962	£36,131	0.5%
London B1 APT	*	37	5.0	8.1	£38,655	£40,288	4.2%
National B2 APT	*	75	10.8	6.8	£30,376	£29,254	-3.7%
London B2 APT	*	24	11.0	8.1	£31,959	£32,621	2.1%
National B3 APT	10	96	6.7	6.7	£23,502	£22,886	-2.6%
London B3 APT	-	28	-	8.2	-	£26,151	-
National C1 APT	10	176	5.7	6.4	£18,431	£18,518	0.5%
London C1 APT	-	5	-	10.8	-	£21,528	-
Organisational Average	94	1155	8.6	6.7	£46,950	£46,334	-1.3%

* denotes where data has been hidden to protect identities
 - denotes no data

35. The higher average salary for staff who do not have disabilities at the London B1 APT grade is attributed to the number of additional allowances paid to employees at that grade. This, coupled with the relatively small population of staff who have disabilities at that grade, causes the pay gap of 4.2%.

Ethnicity

36. The proportion of staff within Ofsted from a Black, Asian and Minority Ethnic background (BAME) is 10.3%, which is in line with the 2015 Civil Service average of 10.6%.

Table 5. BAME pay gap analysis

Grade	Count		Length of service in organisation		Total Salary		Pay Gap
	BAME	White	BAME	White	BAME	White	
Senior HMI	*	55	10.3	7.7	£80,112	£80,510	0.5%
Principal Officer	*	32	14.0	7.8	£69,217	£70,653	2.1%
HMI	15	284	8.5	6.0	£70,344	£70,320	0.0%
National Band A APT	*	56	7.0	7.8	£57,714	£57,016	-1.2%
London Band A APT	9	16	7.2	6.7	£61,526	£59,286	-3.6%
National B1 Inspector	13	183	6.9	6.8	£46,564	£46,847	0.6%
London B1 Inspector	8	12	8.0	7.1	£45,615	£46,877	2.8%
National B1 APT	8	71	8.4	7.7	£36,236	£36,063	-0.5%
London B1 APT	8	34	8.8	8.9	£40,953	£40,036	-2.2%
National B2 APT	7	72	7.0	7.0	£29,025	£29,335	1.1%
London B2 APT	12	19	12.0	7.4	£32,222	£32,638	1.3%
National B3 APT	8	102	3.6	7.4	£22,941	£22,951	0.0%
London B3 APT	18	11	11.7	6.9	£26,115	£26,199	0.3%
National C1 APT	21	168	7.9	6.3	£18,500	£18,517	0.1%
London C1 APT	*	*	5.0	14.7	£21,478	£21,562	0.4%
Organisational Average	137	1118	8.6	6.9	£39,587	£46,866	18.4%

37. The overall pay gap is 18.4% in favour of white staff over BAME staff, however, there are no pay gaps within the grades over 2.8%. Given Ofsted's single-salary pay model, this high figure may relate to the fact that a proportionally lower number of BAME staff are found at the higher HMI, Principal Officer, and Senior HMI grades.
38. Gaps over 2.0% exist only at the Principal Officer and London B1 Inspector grades, which have a low proportion of BAME staff.
39. Given the overall headline pay gap figure, further work is underway to monitor the recruitment and career development of BAME staff. Part of this will be to continue to raise awareness and fund opportunities for talented BAME colleagues to join the Civil Service's Positive Action Pathways, as well as ensuring that all managers have completed unconscious bias training. We will also examine options with our internal talent panel to provide additional developmental opportunities for staff from under-represented groups.

Lesbian, gay and bisexual

Table 6. Lesbian, gay and bisexual (LGB) pay gap analysis

Grade	Count		Length of service in organisation		Total Salary		Pay Gap
	LGB	Hetro-sexual	LGB	Hetro-sexual	LGB	Hetro-sexual	
Senior HMI	*	52	6.8	7.8	£80,169	£80,732	0.7%
Principal Officer	-	31	-	7.8	-	£70,437	-
HMI	10	268	4.1	5.6	£70,575	£70,274	-0.4%
National Band A APT	*	54	9.0	6.8	£59,196	£57,114	-3.5%
London Band A APT	*	24	0.0	7.2	£58,317	£60,166	3.2%
National B1 Inspector	7	161	2.3	6.3	£45,901	£46,697	1.7%
London B1 Inspector	*	18	3.0	7.6	£48,000	£46,491	-3.1%
National B1 APT	*	66	6.7	7.1	£35,771	£36,169	1.1%
London B1 APT	*	31	12.5	8.0	£39,002	£40,348	3.5%
National B2 APT	7	64	5.7	7.2	£29,426	£29,287	-0.5%
London B2 APT	*	26	9.0	8.0	£31,866	£32,563	2.2%
National B3 APT	5	92	8.0	6.4	£22,926	£22,926	0.0%
London B3 APT	*	25	16.0	8.6	£26,029	£26,186	0.6%
National C1 APT	11	155	4.5	6.1	£18,486	£18,523	0.2%
London C1 APT	-	5	-	10.8	-	£21,528	-
Organisational Average	56	1072	5.7	6.6	£42,114	£46,828	11.2%

40. Although the overall pay gap is 11.2% in favour of non-LGB staff, within the grades there are no gaps that are statistically significant because there is no pattern favouring one group above the other.
41. This high overall figure may relate to the fact although LGB staff have representation across the grades, proportionally there is a higher percentage of LGB staff at the lower grades.

Commitment to help address equal pay issues

42. Ofsted is committed to treating all staff with equity regardless of gender, ethnicity, disability, or sexual orientation. Our gender pay gaps reflect the greater incidence of men at the higher grades and of women at the lower grades. This mirrors existing patterns across the Civil Service and in the wider UK workforce. We will continue to examine our pay practices regularly to check their justification, eliminate bias and maximise fairness.
43. To achieve a better balance of employees with protected characteristics across remits and grades, it is important that we continue to have progressive policies that give staff opportunities to develop their careers. We will continue to raise awareness and fund opportunities for talented BAME colleagues and those who have disabilities to join the Civil Service's Positive Action Pathways, as well as ensuring that all managers have completed unconscious bias training. We will also examine options with our internal talent panel to provide additional developmental opportunities for staff from under-represented groups.
44. Equality considerations are embedded in practice across the organisation. The Executive Board and directorates all have explicit responsibilities for ensuring that equality and human rights are promoted and championed. We have recently established an equality, diversity and inclusion group, with representatives from each of our employee networks and the Trade Union Side. The first task for this group will be to develop and publish our new equality objectives and action plan for 2016–2020.
45. Equalities data is reported to directors on a monthly basis for regular review of progress and to help support the development of an effective and diverse workforce.
46. In implementing new and revised policies and procedures, any equality impact is considered and mitigating actions are put in place. These are approved by the Executive Board.
47. Our Trade Union Side is a key partner in tackling discrimination and championing equality and human rights. The quarterly Employee Relations Committee meeting also provides an opportunity for Ofsted managers to work with recognised trade unions on matters of employment and conditions of services, including equality and human rights.
48. A job evaluation exercise is underway to ensure that our roles are still graded fairly and consistently across the organisation, and the wider Civil Service. This review is being led in partnership with our trade unions.
49. As a public sector employer, Ofsted has a legal requirement to promote equality and we do this through our equalities objectives, which are published every four years.

Annex A. Ofsted workforce profile on 31 March 2015

Please note that some percentages have been rounded and may not add to exactly 100.

Gender	Total (%)
Female	61
Male	39

Ethnicity category	Total (%)
BAME	10
White	85
Ethnicity unknown	5

Disability category	Total (%)
Have disabilities	7
Do not have disabilities	88
Disability unknown	5

Sexual orientation	Total (%)
Bisexual	0.1
Gay	1.7
Heterosexual	53.7
Lesbian	0.8
Refused to say	9.7
Unknown	34.0

Annex B. Ofsted grade structure

Ofsted's current grade structure broadly compares to the wider Civil Service grades, as outlined in the table below:

Ofsted grading structure and Civil Service equivalent	
Senior Civil Service (SCS)	
Inspector job family	APT job family
Senior HMI CS equivalent – Grade 6	Principal Officer CS equivalent – Grade 6
HMI CS equivalent – Grade 7	Band A APT CS equivalent – Grade 7
B1 Inspector CS equivalent – Senior Executive Officer	B1 APT CS equivalent – Senior Executive Officer
	B2 APT CS equivalent – Higher Executive Officer
	B3 APT CS equivalent – Executive Officer
	C1 APT CS equivalent – Administrative Officer