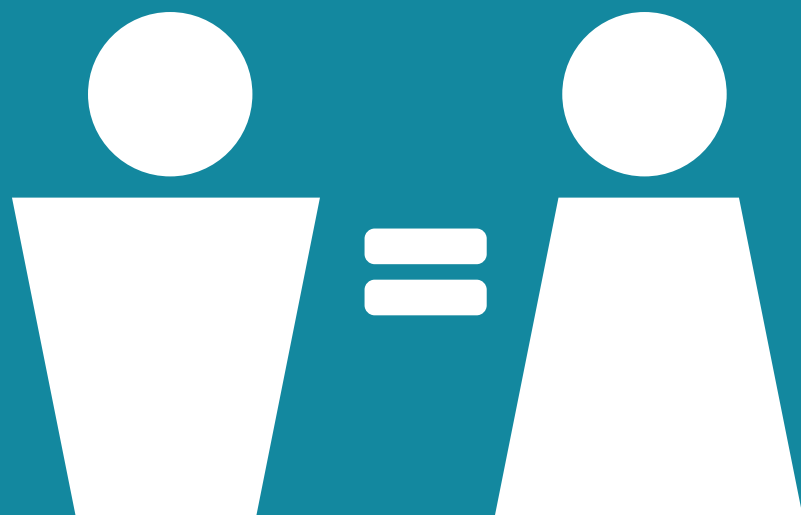


EQUAL PAY AUDIT REPORT 2018



FOREWORD



Sport England wants to create a supportive and inclusive environment where our employees can reach their full potential without prejudice and discrimination. We're committed to a culture where respect and understanding is fostered, and the diversity of people's backgrounds and circumstances will be positively valued.

We support the principle of equal pay between women and men. There should be equitable and fair treatment for our employees based on capability and merit, rather than biases based on gender. We'll ensure that all employees, male and female, have the right to the same contractual pay and benefits for carrying out the same work, rated as equivalent work, or work of equal value. Our job evaluation scheme ensures all roles are assessed against a points based range of objective criteria to ensure job descriptions are remunerated fairly and equally against a pay system that is transparent, free from bias and delivers in line with our commitment to equality and diversity.

SPORT ENGLAND IS COMMITTED TO:

- > Discussing any differences in levels of pay between men and women
- > Reviewing the reasons for, and possible causes of, differences in pay
- > Identifying how to close gaps in pay that cannot be attributed to reasons other than discrimination.

PURPOSE OF AN EQUAL PAY AUDIT

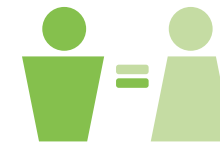
An equal pay audit involves the comparison of the pay of men and women doing equal work and investigating the causes of any pay gaps by gender. We've extended the review to encompass age, ethnicity, length of service, starting salaries and performance ratings.

An equal pay review is concerned with an important, but narrow, aspect of potential discrimination in employment – unequal pay for equal work. It doesn't directly address other aspects of inequality, but such aspects may be highlighted by the review.

To support our aim of equal pay, we analysed the basic pay levels between equality groups and the staff profile to identify possible causes of any pay differences. The review carried out is of snapshot data at **31st March 2018**, which is in line with the snapshot data required for Gender Pay Gap Reporting.

This report includes a summary of the key findings and recommendations from the review, as well as a full report of the results.

INTRODUCTION



This report presents results of the equal pay review carried out using data correct at 31st March 2018. The report contains:

- > A description of the methodology used to undertake the audit
- > The results of the review, particularly
 - An analysis of basic pay levels between equality groups
 - An analysis of the staffing profile to identify the possible causes of any pay differences

The Equality Act 2010 requires Sport England to avoid unlawful discrimination when we decide what pay and benefits workers will receive, making sure we are giving women and men equal pay and other benefits.

The Equality Act 2010 also emphasises the need for pay equality and recommends that employers conduct equal pay reviews.

The first step to ensuring that employees receive equal pay for equal work is to conduct an equal pay audit. An equal pay audit involves comparing the pay of employees who are performing equal work to determine if there is a pay gap due to sex. If there is, the employer should remedy the pay gap. Sport England is committed to dealing with gaps in pay for equal work revealed by the audit.

In line with the Equality and Human Rights Commission (EHRC), reviews should seek to establish whether there are significant differences in pay between equality groups and, if so, the extent to which these can

be objectively justified. Such a gap (defined as more than 5%) may be regarded as significant enough to warrant further investigation, as may a pattern of lesser differences (i.e. 3% or more) in favour of any particular group.

EQUAL PAY AUDITS

We carried out our first equal pay audit in 2008 and conducted subsequent audits in 2010, 2013, 2014 and 2017. The findings of the 2017 review showed that there was no equal pay issue, and in 2014 the findings showed that whilst there were some differences in pay levels amongst employees doing the same type of work there was no significant disparity in the pay of men and women working at comparable levels within Sport England. The differences were largely as a result of differences in pay levels in our Planning division where there was a predominance of men compared to women in these roles, resulting in an uneven distribution. Structural and pay changes in this division helped address these internal relativities.

Similarly, findings from the equal pay audits in previous years indicated that there were some differences in levels of pay amongst men and women doing similar roles, but there did not appear to be a clear gender bias. When we examined pay data in detail we were in all instances able to determine what lay behind the differences in pay, such as specialist roles and market rates relativities.

SPORT ENGLAND'S REMUNERATION POLICY



Sport England's approach to reward includes the following:

- > Pay bands and progression
 - Broad pay bands were constructed around the market median rate in 2008. Due to the public sector pay freeze and restrictions on pay imposed by the Cabinet Office, salaries have never been reviewed in line with market sensitivities.
 - Pay progression is based on performance. However, Sport England is constrained by the Government on pay matters through the pay remit process.
- > Benefits
 - A defined contribution pension scheme.
 - A defined benefit pension and additional fixed allowance (for employees who joined before 2006).
 - A healthy lifestyle benefit allowance (consolidated allowance)

WHAT WE HAVE DONE AS A RESULT OF PREVIOUS EQUAL PAY AUDITS

Although gender did not appear to be a significant factor behind the differences in levels of pay for employees doing similar roles, we identified a number of actions we could take for reducing those pay gaps that did exist.

Following the 2014 and 2013 audits, we:

- > Further investigated the small number of anomalies and made some salary adjustments where there was a clear rationale to do so:
 - In 2010, we made an adjustment to senior level pay which resulted in greater gender wage parity at that level.

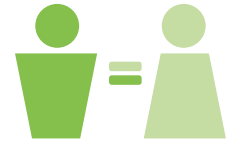
- In 2016, a small handful of women in the Planning division were given a pay increase to bring their pay in line with others in the team at the same grade with longer service.
 - In 2014, a number of women were promoted at senior level closing any potential gaps nationally.
 - Any anomalies that existed in 2017 were resolved naturally following the organisational restructure.
- > Used the findings from the equal pay audits to inform our decision about varying the terms of employees in the defined benefit pension scheme to prevent pay inequalities amongst men and women by freezing the additional allowance that they receive at the current rate set at the time.
 - > Continued with our commitment to recruit new hires to the minimum of our pay bands where market forces didn't dictate otherwise (e.g. technical / professional roles that are hard to fill due to competitive salaries)
 - > Increased the minimum pay band for level 8 (the lowest paid grade) where there are more women.

Our pay bands are very broad, but have been grouped into professional categories and grades (shown below in Table 1) through job evaluation, determining work of equal value.

TABLE 1

GRADE	EXECUTIVE DIRECTOR	2	SENIOR PROFESSIONAL	5
	DIRECTOR	3+	PROFESSIONAL	6
	STRATEGIC LEAD	3	SUPPORT/OFFICER	7
	HEAD OF	4	ADMINISTRATION	8

GENDER PAY ANALYSIS 2018



GENDER DISTRIBUTION BY GRADE

The data reported on covers 234 employees, of whom 53% are women and 47% are men.

As shown in the table below, there is a typical predominance of women in the lower grades (8 to 6), but men and women are represented relatively equally across all other grades.

TABLE 2

GRADE	%MALE	MALE	%FEMALE	FEMALE
2	57	4	43	3
3+	67	2	33	1
3	44	15	56	19
4	51	38	49	36
5	57	28	43	21
6	40	12	60	18
7	32	8	68	17
8	33	4	67	8

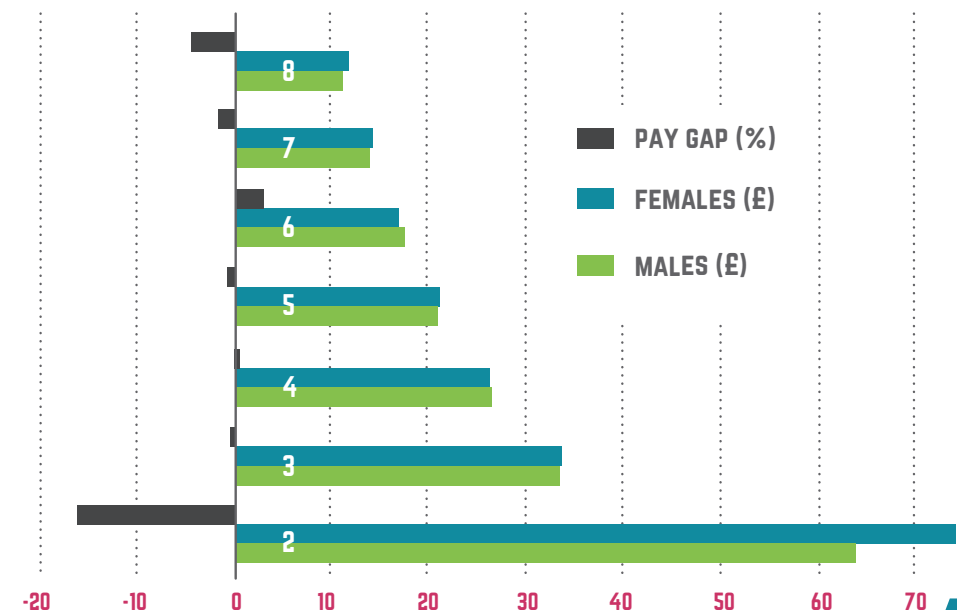
Table 3 shows the mean gender pay gap by grade. There is only one grade where the pay gap is in favour of men – grade 4. The 0.8% gap at grade 4 is too negligible to warrant further investigation. Across all other grades the mean gender pay gap is in favour of women. Notwithstanding this, while at the lower grades the percentage gap is in favour of women this is also due to the fact that there is a higher representation of women than men in these grades. Typically, Sport England has attracted more women than men into administrator level roles, and to try and reverse this, going forward, we will be including positive statements in our job adverts to encourage more men to apply.

TABLE 3

GRADE	METRIC	MALES (£)#	FEMALES (£)#	PAY GAP (%)	MALES (N)	FEMALES (N)
2	MEAN	63.89	74.33	-16.3	4	2
3	MEAN	33.47	33.65	-0.5	15	19
3+*	MEAN					
4	MEAN	26.46	26.27	0.8	38	36
5	MEAN	21.02	21.27	-1.2	28	21
6	MEAN	17.63	17.09	3.1	12	18
7	MEAN	14.02	14.30	-1.9	8	17
8	MEAN	11.42	11.96	-4.7	4	8

* the numbers are too small and run the risk of being identifiable so have been redacted
average hourly rate

CHART 1: GENDER PAY GAP BY GRADE



GENDER PAY ANALYSIS (CONTINUED)



GENDER PAY GAP BY LENGTH OF SERVICE

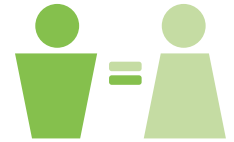
Table 5 shows a gender pay gap in favour of women with under one years' service. This could be reflective of the types of roles recruited to in the relevant reporting year. According to our most recent recruitment data, we recruited an equal split of women into the mid and upper pay quartiles (the two highest paid). However, the gap then widens in favour of men at one to two years, three to four years and five to nine years. A driving factor is our Facilities division which has the longest established male employees. Historically this has always been a male dominated field and with little turnover it is very difficult to make any meaningful change.

This is a longer-term objective and we have in place positive actions when recruiting and are encouraging internal and external mentoring. As the length in service increases (10 to 14 years & 15 plus) the gender pay gap is significantly in favour of women again.

TABLE 5

GROUP	METRIC	MALES (£)#	FEMALES (£)#	PAY GAP (%)	MALES (N)	FEMALES (N)
UNDER 1 YEAR	MEAN	19.12	22.01	-15.1	15	33
1 TO 2 YEARS	MEAN	30.65	23.63	22.9	7	13
3 TO 4 YEARS	MEAN	23.46	20.22	13.8	15	14
5 TO 9 YEARS	MEAN	26.47	22.97	13.2	26	29
10 TO 14 YEARS	MEAN	25.40	28.04	-10.4	23	23
15+ YEARS	MEAN	27.64	29.74	-17.6	25	11

GENDER PAY ANALYSIS (CONTINUED)



GENDER PAY GAP BY AGE

Table 6 shows data for the difference in pay by age range shows the gender pay gap is significantly (10.5%) in favour of women under age group 30 and only slightly (0.7%) between age groups 30 to 39. The gap then opens up for the remainder age groups. This could have some correlation with ONS gender pay trends which indicate a wage parity between the sexes around the age of 30. After this milestone, men start to earn more than women until the age of 49. To help address this, we have put in place positive actions to help women during career breaks, such as, our Return to Work transitions programme to enable us to support even more working parents and their line managers through bespoke coaching sessions.

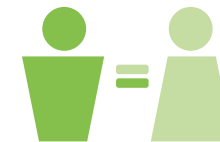
And we encourage greater uptake of Shared Parental Leave, and offer enhanced pay in line with maternity pay to try and encourage more men to also use.

Additionally, flexible working policies and practices are well embedded ensuring that all of our employees are able to work in a way that enables them to balance a successful career with commitments outside of work.

TABLE 6

GROUP	METRIC	MALES (£) [#]	FEMALES (£) [#]	PAY GAP (%)	MALES (N)	FEMALES (N)
UNDER 30	MEAN	14.45	15.97	-10.5	8	14
30 - 39	MEAN	22.82	22.98	-0.7	29	49
40 - 49	MEAN	25.48	24.62	3.4	44	36
50 - 59	MEAN	30.78	29.96	2.6	24	24
60+	MEAN	29.93	—	—	6	—

GENDER PAY ANALYSIS (CONTINUED)



ETHNICITY ANALYSIS

We collected data on the ethnicity pay gap ratio, but the data set is too small to allow a robust detailed analysis of comparable average pay and risks easy identification of individuals.

The percentage of declared BAME employees at the 31 March 2018 was 6%.

We will continue to monitor ethnicity and pay in the next years' gender pay gap and equal pay audit reports. While low ethnicity figures in the workplace is a complex issue that impacts the whole sports sector, a priority for Sport England is to strengthen the diversity of our workforce with the aim of moving towards a workforce composition that represents the communities in which we are based. In view of this, we have set ourselves a continual aspirational target of "making considerable annual improvements across grades and locations". Our Equality, Diversity and Inclusion groups are continuously monitoring this area of work and putting in place positive actions to address the issue.

STARTING SALARIES BY GENDER

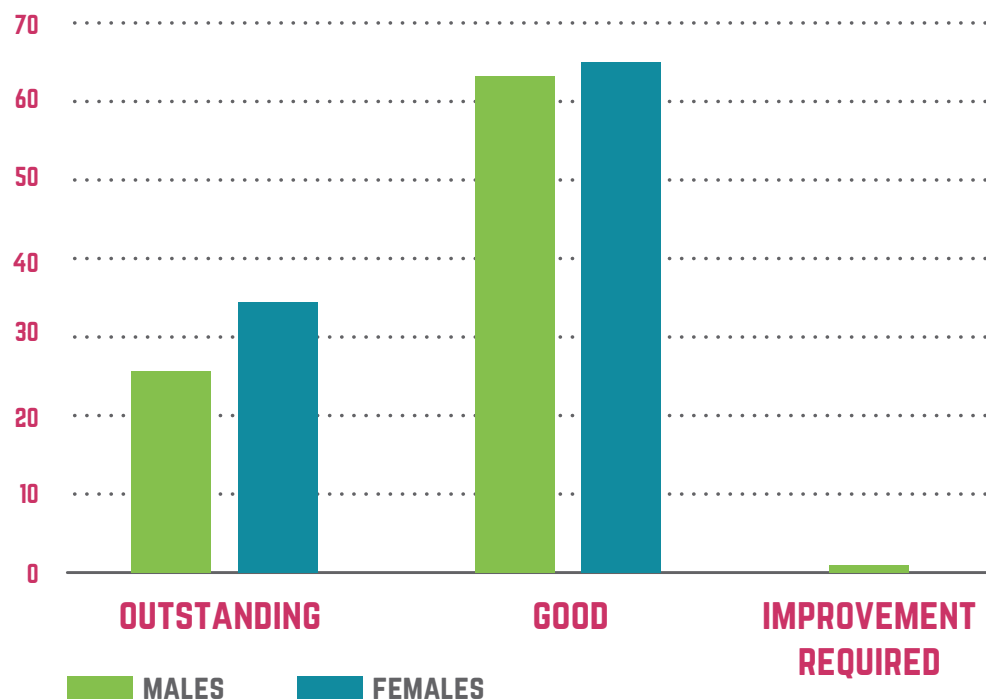
For reasons of equity and affordability it is Sport England's policy to normally appoint new colleagues at the minimum of the pay range for the role. In the 12 months preceding the 31 March 2018, out of the 52 new joiners at Sport England, 31% of women started on the minimum of the pay scale for their job grade compared to 12% of men. However, caution should be taken when looking at these numbers as there was a higher ratio of women (35) compared to men (17) employed during that period.

PERFORMANCE RATINGS BY GENDER

All employees are subject to an assessment of their pay and performance which falls within Sport England's pay grades. Chart 2 shows the split between men and women across the difference performance ratings. Overall, more women than men were awarded an "outstanding" rating, whereas the distribution was of almost equal split for men and women against "good" rating.

The numbers are of eligible employees and reflect a recent snapshot date of the 1 November 2018 so will not include anyone who left prior to this date.

CHART 2



CONCLUSION

Based on the data analysed at 31 March 2018, Sport England does not have any equal pay issues to report on.



March 2019



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