

Archwilydd Cyffredinol Cymru
Auditor General for Wales

Equality Report

Report on compliance by the
Auditor General for Wales and
Wales Audit Office with the
Equality Act 2010 General Duty
for the period 1 April 2015
to 31 March 2016



WALES AUDIT OFFICE
SWYDDFA ARCHWILIO CYMRU

Report on compliance by the Auditor General for Wales and Wales Audit Office with the Equality Act 2010 General Duty for the period 1 April 2015 to 31 March 2016

This report has been prepared in accordance with the Equality Act 2010 (Statutory Duties) (Wales) Regulations 2011.

If you require this publication in an alternative format and/or language, or have any questions about its content, please contact us using the details below.

We treat the English and Welsh languages on an equal basis.

Wales Audit Office
24 Cathedral Road
Cardiff
CF11 9LJ

Telephone 02920 320 500
Email info@audit.wales
Website www.audit.wales
Twitter @WalesAudit

© Auditor General for Wales and Wales Audit Office 2016

Foreword

This report by the Auditor General for Wales and Wales Audit Office on our compliance with the General Duty of the Equality Act 2010 covers the reporting period 1 April 2015 to 31 March 2016.

Our Joint Strategic Equality Plan, published in May 2014, outlines our continued commitment to equality. The Plan sets out how we seek to eliminate discrimination, advance equality of opportunity, and foster good relations in our work and our day-to-day activities.

We are committed to providing a work environment that values the diversity of all people, both our own staff and those with whom we come into contact during our work, and we fully support the rights of people to be treated with dignity and respect.

In 2015-16, we continued to develop our overall programme of work to help ensure that the necessary arrangements are in place for the Auditor General and Wales Audit Office to fully meet their equality duties and objectives.

In particular, we streamlined our process for undertaking impact assessments, and developed an action plan aimed at narrowing our overall gender, age and ethnicity pay gaps and encouraging a higher number of job applications from carers and people with impairments.

The key areas of focus for our programme of equality work in 2016-17 will be to implement our equal pay and workforce diversity action plan, to develop an approach to discharge the Auditor General's new function under the Well-being of Future Generations (Wales) Act 2015, and to further refine our policies and processes through ongoing monitoring and assessment of their application and impact.

Huw Vaughan Thomas
Auditor General for Wales

Lindsay Foyster
Equality Champion and Non-Executive Board Member,
on behalf of the Wales Audit Office

Contents and reader's guide

Programme of equality work

In 2015-16, we continued to develop our overall programme of work to help ensure that the necessary arrangements are in place for the Auditor General and Wales Audit Office to fully meet their equality duties and objectives 6

Impact assessments

We streamlined our process for undertaking impact assessments, and extended the remit of those assessments to include human rights considerations 9

Equal pay and workforce diversity

We developed an action plan aimed at narrowing our overall gender, age and ethnicity pay gaps, encouraging a higher number of job applications from carers and people with impairments, and reducing the relatively high proportion of 'prefer not to say' responses to the diversity monitoring question 'what is your sexual orientation?' 13

Future focus for our work

The key areas of focus for our programme of equality work in 2016-17 will be to implement our equal pay and workforce diversity action plan, to develop an approach to discharge the Auditor General's new function under the Well-being of Future Generations (Wales) Act 2015, and to further refine our policies and processes through ongoing monitoring and assessment of their application and impact 19

Appendices

Appendix 1 – Summary of the effectiveness of steps taken and progress made towards meeting our equality objectives in 2015-16 20

Appendix 2 – Our employment information for the year analysed by protected characteristic 24

Appendix 3 – Key outcomes from our 2015-16 equal pay audit using workforce information as of 31 December 2015 35

Programme of equality work

In 2015-16, we continued to develop our overall programme of work to help ensure that the Auditor General and Wales Audit Office can fully meet their equality duties and objectives

The Auditor General and Wales Audit Office are required to follow the framework of protection against discrimination, harassment and victimisation and the public sector equality duties brought in by the Equality Act 2010 and related legislation.

The Auditor General and the Wales Audit Office have jointly prepared a **Strategic Equality Plan** which sets out 10 specific objectives to help them better perform their equality duties.

In August 2014, we established, for an 18-month term and on a part-time basis, the role of Equality Project Manager. The purpose of the Project Manager role was to help ensure that the necessary arrangements are in place for the Auditor General and Wales Audit Office to fully meet their equality duties and objectives.

An Equality Steering Group was also established as a task-and-finish group to:

- assist the Project Manager in establishing the necessary arrangements and programme of work for meeting the Auditor General and Wales Audit Office's equality duties and strategic equality objectives; and
- help ensure the arrangements and programme of work are fully implemented and delivering the required outcomes.

In addition, an Equality Interest Group had previously been established in order to ensure effective engagement with employees representing the interests of protected groups, when designing and implementing the programme of equality work, and when undertaking impact assessments.

In 2015-16, we continued to develop a programme of equality work to ensure the Auditor General and Wales Audit Office can fully meet their equality duties and objectives. On a bimonthly basis, the Steering Group, with input from the Project Manager and Interest Group, considered and discussed:

- progress made to date on the key projects within the programme;
- further work that needs to be undertaken on those projects to deliver the required outcomes; and

- how this work will be embedded in future, once the Project Manager secondment came to an end.

Appendix 1 of this report provides more detail on the effectiveness of steps taken and progress made towards meeting our equality duties and objectives in 2015-16. Other key developments included:

- publishing a reasonable adjustments policy on our website, which explains our overall approach to making adjustments for people who have an impairment¹ and who indicate that the way we carry out our functions might otherwise disadvantage them (we recognise in the policy that individuals with other protected characteristics may also require adjustments);
- following up on the improvement recommendations from an external audit of our website undertaken during April 2015, with a view to gaining accessibility accreditation and validation of meeting the **Web Content Accessibility Guidelines level 2.0 AA success criteria** in early 2016-17, alongside a greater understanding of tackling digital exclusion;
- installing additional software on our website which provides further options for improving accessibility and increasing engagement with our work, including through enlarging selected text and reading it aloud, providing written and spoken translations in multiple languages, blocking on-screen distractions, and converting selected text into MP3 format;
- formulating a plan to act on the recommendations of a physical access audit of our premises undertaken by an external supplier in July 2015, and taking access considerations into account when evaluating proposals for relocation from our North Wales office;
- expanding our impact assessment framework to include human rights considerations, thereby assisting the Auditor General and Wales Audit Office in meeting their duties under the Human Rights Act 1998;



¹ The Auditor General and Wales Audit Office subscribe to the Social Model of Disability in recognition that people who have an impairment are disabled by environmental, institutional and attitudinal barriers in society. The key definitions within the Social Model are:

- Impairment is an injury, illness or congenital condition that causes or is likely to cause a long term effect on physical appearance and/or limitation of function within the individual that differs from the commonplace.
- Disability is the loss or limitation of opportunities to take part in society on an equal level with others due to institutional, environmental and attitudinal barriers.

- introducing a requirement for our contractors to pay the Living Wage to their employees for providing services to the Wales Audit Office;
- increasing staff awareness of a range of equality and human rights issues through ongoing dissemination of information relating to a 'diversity calendar' of 15-20 internationally recognised events for 2015-16, and through the making of public pledges as part of the #PledgeforParity campaign for International Women's Day 2016; and
- regularly attending Equality and Human Rights Commission in Wales and Welsh Public Sector Equality Network events to ensure we remain sighted of ongoing developments in the field.

Impact assessments

We streamlined our process for undertaking impact assessments, and extended the remit of those assessments to include human rights considerations.

The Auditor General and the Wales Audit Office must²:

- assess the likely impact of relevant policies and practices (current, revised or new) on their ability to comply with the General Equality Duty;
- publish reports of those assessments where they show a substantial impact (or likely impact) on their ability to meet the General Equality Duty; and
- monitor the impact of particularly relevant policies and practices on their ability to meet the General Equality Duty.

They also have a responsibility to uphold the rights set out in the Human Rights Act 1998.

In May 2015 we streamlined our process for undertaking impact assessments. Assessments are now undertaken solely by our Law and Ethics Team to ensure consistency and a strong base of technical expertise. Following preparation of each draft assessment report, the report and the draft policy or practice to which it relates are assigned to members of our Equality Interest Group for review within a prescribed timeframe, in order to comply with the engagement provisions.

We also extended the remit of our impact assessments to include human rights considerations, thereby assisting the Auditor General and Wales Audit Office in meeting their duties under the Human Rights Act 1998.

A flowchart illustrating the key stages of and outcomes from an impact assessment was developed and posted on our intranet (see [Exhibit 1](#)), with further awareness raising undertaken through attending staff meetings.

A list of the impact assessments completed between 1 April 2015 and 31 March 2016 and the key outcomes from those assessments is provided in [Exhibit 2](#).

² Under the Equality Act 2010 (Statutory Duties) (Wales) Regulations 2011

Exhibit 1: Flowchart illustrating the key stages of and outcomes from an impact assessment



Exhibit 2: Impact assessments completed between 1 April 2015 and 31 March 2016 and the key outcomes from those assessments






 <p>Reasonable Adjustments Policy (External) Outcome 1: No issues.</p> <p>The Reasonable Adjustments Policy was subsequently published on our website.</p>	 <p>Pay Offer 2015 Outcome 1: No issues.</p> <p>The pay offer was subsequently accepted by Wales Audit Office staff. Plans for an equal pay audit were also initiated.</p>
 <p>Secondment Policy Outcome 2: Amend.</p> <p>The eligibility criteria in the absence management section of the policy were amended so as to remove the potential for indirect or direct discrimination with regards to impairment, pregnancy and maternity.</p>	
 <p>Shared Parental Leave and Pay Policy Outcome 1: No issues.</p> <p>The policy was subsequently incorporated as part of the family friendly section of our Staff Handbook.</p> <p>Since this policy is particularly relevant in terms of equality and/or human rights, we will keep a record of all requests for shared parental leave, including any reasons for not approving a request for a discontinuous block of shared leave</p> <p>We will also monitor the impact of the policy and will review the monitoring information on an annual basis.</p>	
 <p>Staff Handbook and Family Friendly Handbook Outcome 2: Amend.</p> <p>The relevant section of the Handbook was amended to emphasise that we must adhere to section 147 of the Equality Act 2010 when drafting a compromise or settlement agreement that involves a discrimination claim.</p> <p>Since this policy is particularly relevant in terms of equality and/or human rights, we will monitor all staff requests for reasonable adjustments that relate to policies and practices contained in the Handbook.</p> <p>We will also monitor the impact of the Handbook on our ability to comply with the General Duty and will review the monitoring information on an annual basis.</p>	

Exhibit 2: Impact assessments completed between 1 April 2015 and 31 March 2016 and the key outcomes from those assessments



Capability Policy

Outcome 2: Amend.

The draft policy was amended to give greater recognition to the link between capability and discrimination, especially disability discrimination.

We also re-examined the criteria set out in the formal stages of the capability process so as to minimise the potential of discriminatory bias, and clarified arrangements for the convening of an appeal panel and other meetings at the final stages of the process.

Since this policy is particularly relevant in terms of equality and/or human rights, we will keep a record of all capability cases, both informal and formal, and will analyse by protected characteristic to ensure we are sighted of any trends.

We will also monitor the impact of the policy and will review the monitoring information on an annual basis.



Travel Scheme

Outcome 2: Amend.

The draft Scheme was amended to ensure staff are given the opportunity to make requests for reasonable adjustments, particularly to take account of impairments that hinder an individual's ability to drive a car.

It was recommended that an internal reasonable adjustments policy is developed for use which can then be directly referenced from the Travel Scheme, and other relevant policies.

Since this policy is particularly relevant in terms of equality and/or human rights, we will keep a record of all requests made for reasonable adjustments under the Scheme, including any requests that are subsequently refused.

We will also monitor the impact of the Scheme and will review the monitoring information on an annual basis.

Equal pay and workforce diversity

We developed an action plan aimed at narrowing our overall gender, age and ethnicity pay gaps, encouraging a higher number of job applications from carers and people with impairments, and reducing the relatively high proportion of ‘prefer not to say’ responses to the diversity monitoring question ‘what is your sexual orientation?’

Our employment information analysed by protected characteristic for 2015-16 is provided in [Appendix 2](#) of this report.

The key outcomes from an equal pay audit undertaken in late 2015-16 are provided in [Appendix 3](#) of this report.

Work on our first full equal pay audit was commenced in February 2016. The scope of the audit was to identify any significant basic salary pay gaps, both within individual pay bands and for the workforce as a whole, looking at five of the protected characteristic areas – gender, age, sexual orientation, impairment (disability) and ethnicity. We then explored the reasons for any significant identified gaps, with particular reference to our employment information, and prepared an action plan aimed at reducing any ‘unjustifiable’ gaps that were identified, and for increasing the diversity of our workforce.

The main issues identified from our analysis both of our employment information by protected characteristic, and our pay gap analysis, are described in the following narrative.

Pay gaps

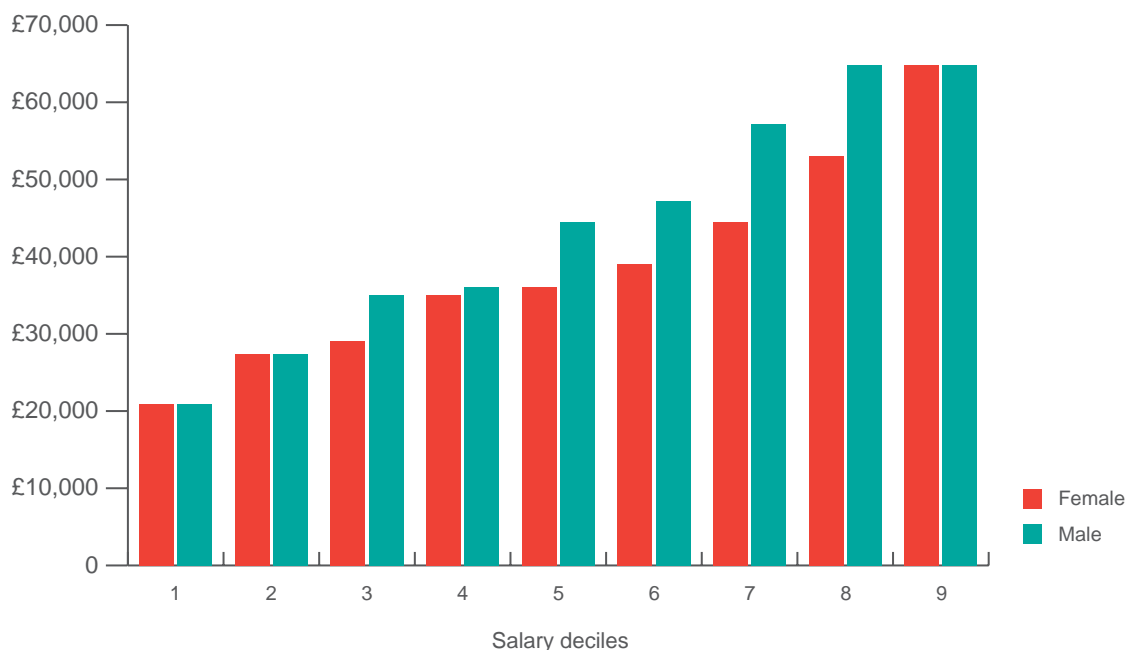
The Wales Audit Office applies rigorous pay alignment arrangements to ensure jobs of equal worth are pay-aligned. It was therefore expected that any significant pay gaps (greater than five per cent) within particular pay bands when analysed by protected characteristic, would be a direct consequence of the relative distribution of staff among the pay points within each pay band. This proved to be the case, and these gaps were therefore assessed as being ‘justified’ since, subject to satisfactory performance, all employees will progress to the top pay point of a particular pay band within a five year period³, irrespective of protected characteristic.

³ Seven year period for Senior Leadership Team pay bands (bands above pay band 7)

However, the Wales Audit Office does have an overall ‘negative’ gender pay gap of 18.8 per cent; the mean basic full-time equivalent annual salary of those staff that identified themselves as female is over £8,000 less than that of staff that identified themselves as male.

The distribution of women and men across pay bands is the immediate explanation for this gap; nearly three-quarters of female staff are employed in pay bands below band 5⁴, compared to a figure of less than 60 per cent for male staff. The effect of this distribution is illustrated in a salary deciles chart (see [Exhibit 3](#)). By contrast, the gender pay gap for median earnings of full-time employees in the wider population in Wales in 2015 was 9.4 per cent⁵, so consequently we deemed this gap to be unjustifiable.

Exhibit 3: Basic full-time equivalent annual salary deciles as of 31 March 2016 for those staff that identified themselves as male or female⁶



4 The Wales Audit Office pay scale comprises 10 main pay bands – bands 1 to 7 and bands A to C, alongside pay bands for trainees, technicians and work placements. Bands 6 and 7 are management pay bands and bands A to C are senior leadership team pay bands.

5 Office for National Statistics, [UK Annual Survey of Hours and Earnings 2015](#)

6 Deciles are the values that divide sorted data into 10 equal parts. For example, the fifth decile is the value below which 50 per cent of the data lie (and is the same as the median). The ninth decile is the value below which 90 per cent of the data lie.

The underlying causes for this distribution appear to include job segregation, ie, where a particular gender dominates a particular role, which itself may be caused by the effects of family and caring roles or stereotyping, alongside a particularly low turnover rate for positions in higher pay bands (1.5 per cent for pay bands 5 and above in 2015-16, 2.4 per cent in 2014-15 and 0.8 per cent in 2013-14). It should also be noted that, in 2015-16, a greater proportion of job applicants and of staff that applied to change position within the Wales Audit Office identified themselves as male.

We also have an overall pay gap for younger staff of 44.8 per cent; the mean basic annual salary of those staff aged less than 35 years is over £20,000 less than that of staff aged 35 to 54 years. Again, the distribution of younger staff across pay bands is the immediate explanation for this gap; no Wales Audit Office employees aged less than 35 years are employed in pay bands 5 and above. Alongside the relatively few vacancies in higher pay bands, another apparent underlying cause for this distribution appears to be an absence of any form of 'fast-tracking' scheme. While limited data is available for comparison⁷, and a pay gap is to some extent expected due to skills and experience increasing with age, we consider that the extent of this pay gap is probably unjustifiable.

A further negative pay gap of 25.2 per cent identified through the analysis was for staff who identify themselves as having non-white ethnicity; the mean basic salary of those staff who identify themselves as having non-white ethnicity was over £10,000 less than that of staff who identify themselves as having white ethnicity. Again, the distribution of staff who identify themselves as having non-white ethnicity across pay bands is the immediate explanation for this gap; no Wales Audit Office staff who identify themselves as having non-white ethnicity are employed in pay bands 5 and above. We consider that the extent of this pay gap is unjustifiable since it is relatively high compared to pay gaps for different ethnic groups in the UK identified by the Equality and Human Rights Commission.

There is no evidence of a negative pay gap for Wales Audit Office staff who identified themselves as lesbian, gay or bisexual, or for those staff who consider themselves to have an impairment.

⁷ Equality and Human Rights Commission: [Pay gaps across the equality strands: a review](#), 2009

Workforce diversity

For those employees that completed our diversity monitoring form, 4.0 per cent identified their sexual identity as lesbian, gay or bisexual⁸, with a further 3.5 per cent choosing the option 'prefer not to say'. The corresponding figures for job applicants in 2015-16 were 5.1 per cent and 5.4 per cent respectively. These figures compare favourably with related published statistics for the wider population, although the proportion of 'prefer not to say' responses is a concern. In 2014, 1.6 per cent of adults in the UK identified their sexual identity as lesbian, gay or bisexual, although the equality charity Stonewall suggested the real figure is likely to be higher, since the data collection happened on doorsteps or over the phone, which may have deterred people from giving accurate responses, particularly if someone is not openly gay at home.

10.6 per cent of employees that completed our diversity form considered themselves as having an impairment, with a further 5.1 per cent choosing the option 'prefer not to say'. The corresponding figures for job applicants in 2015-16 were 4.5 per cent and 1.7 per cent respectively. These figures, particularly those for job applicants, do not compare so favourably with related published statistics for the wider UK population; around 16 per cent of working age adults are people with a limiting long term illness, impairment or disability⁹.

3.5 per cent of employees identified themselves as having non-white ethnicity, with a further 5.6 per cent choosing the option 'prefer not to say'. The corresponding figures for job applicants in 2015-16 were 12.2 per cent and 2.3 per cent respectively. While our data for job applicants compares favourably with related published statistics for the wider population of Wales, our employees data does not; the proportion of the Welsh population from a non-white background is currently around 4.5 per cent¹⁰. The relatively high proportion of 'prefer not to say' responses among employees is again a cause for concern.

25.3 per cent of our staff identified themselves as carers, with a further 7.1 per cent choosing the option 'prefer not to say'. The corresponding figures for job applicants in 2015-16 were 7.1 per cent and 1.4 per cent respectively. Our staff data compares very favourably with related published statistics for the wider Welsh population, but our data for job applicants does not; around 12 per cent of people in Wales are caregivers¹¹. This may at least partially be linked to the fact that around two-thirds of job applicants were aged less than 35.

⁸ Office for National Statistics, **Integrated Household Survey - January to December 2014**

⁹ Office for National Statistics, **Family Resources Survey 2010/11**

¹⁰ Office for National Statistics, **Annual Population Survey 2016**

¹¹ Office for National Statistics, **Census 2011**

Taking account of this analysis, our equal pay and workforce diversity action plan for implementation in 2016-17 is provided in [Exhibit 4](#).

Exhibit 4: Equal pay and workforce diversity action plan

Protected or other characteristic	Issues to address	Action
Gender	Overall gender pay gap of 18.8 per cent	Hold a staff focus group to seek views on the reasons for nearly three-quarters of women staff being in pay bands lower than band 5 and what actions we might take to help overcome any potential barriers to recruitment and progression. Following consideration of the outcomes from the focus group, develop an action plan aimed at closing the gap.
Age	Pay gap for younger staff of 44.8 per cent	Hold a staff focus group to seek views on the reasons for us having no employees aged less than 35 years employed in pay bands 5 and above, and what actions we might take to overcome any potential barriers to recruitment and progression. Following consideration of the outcomes from the focus group, develop an action plan aimed at closing the gap.
Ethnicity	Pay gap for staff who identify themselves as having non-white ethnicity of 25.2 per cent, low proportion of non-white ethnicity employees and high proportion of 'prefer not to say' responses	Hold a staff focus group to seek views on the reasons for us having no employees of non-white ethnicity employed in pay bands 5 and above, and what actions we might take to overcome any potential barriers to recruitment and progression. Following consideration of the outcomes from the focus group, develop an action plan aimed at closing the gap.
Sexual orientation	High proportion of 'prefer not to say' responses amongst both employees and job applicants	Join the Stonewall diversity champions programme, thereby demonstrating our commitment to LGBT equality, raising our profile as an employer of choice and securing access to research and good practice advice.

Protected or other characteristic	Issues to address	Action
Impairment	Low proportion of job applicants who consider themselves to have an impairment	Secure permission from Jobcentre Plus to use the Disability Confident badge in job adverts to show that we encourage applications from people with impairments.
Carers	Low proportion of job applicants who consider themselves to be carers	<p>Undertake a review of our recruitment strategy, particularly from the perspective of offering job flexibility.</p> <p>Following consideration of the outcomes from the review, develop an action plan aimed at ensuring that we encourage a greater proportion of applications from people with caring responsibilities.</p>

Future focus for our work

The key areas of focus for our programme of equality work in 2016-17 will be to implement our equal pay and workforce diversity action plan, to develop an approach to discharge the Auditor General's new function under the Well-being of Future Generations (Wales) Act 2015, and to further refine our policies and processes through ongoing monitoring and assessment of their application and impact.

A key focus for our programme of equality work in 2016-17 will be to implement our planned actions for reducing our overall pay gaps.

In addition, in response to our operating environment, our **Plan** for delivering our programmes of work during 2016-17 and for the three-year period 2016-2019 is underpinned by four high-level strategic themes; one of these themes is to strengthen our workforce strategy so we can better respond to future developments. Our emphasis will be on having the right number and, crucially from an equality perspective, a diverse mix of people, with the right skills, knowledge and experience, in the right place, at the right time and at the right cost.

An important new function of the Auditor General is to assess the extent to which relevant public bodies act in accordance with the principle of sustainable development in:

- setting and publishing objectives that are designed to maximise their contribution to achieving each of the wellbeing goals¹², including the goal of 'a more equal Wales'; and
- taking all reasonable steps in exercising their functions to meet those objectives.

Consequently, another priority for 2016-17 will be to engage with those bodies in developing an approach to discharge the Auditor General's new function.

Furthermore, it continues to be a priority in our Plan to further refine our policies and processes through ongoing monitoring and assessment of their application and impact, thereby demonstrating our commitment to promoting the wellbeing of our staff, advancing equality of opportunity, eliminating discrimination and fostering good relations.

¹² As set out in the Well-being of Future Generations (Wales) Act 2015

Appendix 1

Summary of the effectiveness of steps taken and progress made towards meeting our equality objectives in 2015-16

Objective	Effectiveness of steps taken and progress made
<p>1 We will seek and take account of the views of people who represent the interests of protected groups in deciding what value for money work we will undertake.</p>	<p>In February 2015 we established more effective engagement arrangements via the Equalities and Human Rights Coalition – a network of over 120 third sector organisations working in the equalities and human rights field in Wales. The Coalition is facilitated by the Wales Council for Voluntary Action.</p> <p>Through those arrangements, in 2015-16 we consulted with members of the Coalition on proposals for the Auditor General's forward programme of value for money examinations and local government studies.</p>
<p>2 In deciding the coverage of any value for money work that is relevant to the General Equality Duty, and in devising fieldwork for such projects, we will seek the views of people that represent the interests of protected groups, so as to take account of the needs of those groups.</p>	<p>The arrangements established with the Equalities and Human Rights Coalition also enable us to seek the views of people that represent the interests of protected groups when deciding the coverage of, and devising fieldwork for, particular aspects of the Auditor General's programme of value for money audit work.</p> <p>In particular, in August 2015, we wrote to members of the Coalition asking for their views to inform a study into the financial challenges facing the public sector in Wales entitled A Picture of Public Services. We were particularly interested to hear their views on:</p> <ul style="list-style-type: none"> • whether their organisations had been affected by reductions in funding from Westminster, from the Welsh Government or both; • what have been the main impacts on their organisations and the service users/members of the public they work with; • whether they felt any groups of people had been particularly affected by the financial pressures; and • whether there were any specific impacts on the public that are associated with reductions in funding from Westminster, for example, from Welfare reform.

Objective	Effectiveness of steps taken and progress made
<p>3 Each year as part of our work to assess whether Welsh Improvement Authorities have met the improvement requirements of the Local Government (Wales) Measure 2009, we will assess whether those authorities have taken the General Equality Duty into account in their arrangements to secure continuous improvement, especially in the development of their Improvement Plans.</p>	<p>We reviewed whether all Welsh Improvement Authorities had taken the General Equality Duty into account in their arrangements to secure continuous improvement in 2015-16. We reported on any significant failures in each relevant Annual Improvement Report. All improvement reports can be accessed on the Wales Audit Office website.</p>
<p>4 On undertaking our financial audit work, including grant certification, we will consider whether any of the information reviewed indicates significant failures to perform the General Equality Duty on the part of audited bodies, and we will provide feedback on this on an exception basis (ie, where there appears to be a problem) to those bodies.</p>	<p>In the Auditor General's Code of Audit Practice and Statement of Practice, which prescribes the way in which the Auditor General's audit and certain other functions are to be exercised, it is explicitly stated that:</p> <ul style="list-style-type: none"> • when planning their work, auditors must have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations; • after concluding fieldwork, auditors must produce outputs that are accessible and written in plain language; and • when undertaking financial audit work, auditors may also issue further outputs in accordance with relevant legislation and guidance, including feedback on an exception basis where any of the information reviewed indicates significant failures to perform the General Equality Duty on the part of audited bodies.
<p>5 We will improve the extent and quality of information, such as external feedback, that we gather regarding how our work contributes or could contribute to performing the General Equality Duty.</p>	<p>Looking forward, the arrangements recently established with the Equalities and Human Rights Coalition will enable us to more effectively seek the views of people that represent the interests of protected groups on how our work contributes or could contribute to performing the General Equality Duty.</p>

Objective	Effectiveness of steps taken and progress made
<p>6 In procuring and monitoring externally sourced professional services, we will work to ensure that firms perform the General Equality Duty in the course of relevant work.</p>	<p>The terms and conditions of our contracts explicitly state that providers must assist the Wales Audit Office in meeting the General Equality Duty in exercising its functions, and include an obligation to perform the General Equality Duty in the course of work undertaken on behalf of the Auditor General. Providers are also required to comply with other requirements of the Equality Act 2010, such as making 'reasonable adjustments' in respect of persons with impairments. Our annual quality review arrangements examine samples of audits and other projects completed by providers in order to check whether the provider has made suitable arrangements to perform the General Equality Duty.</p>
<p>7 Improve the quality and extent of Wales Audit Office workforce information in respect of the protected characteristics and use this information so as to perform the General Equality Duty.</p>	<p>We updated the questions and categories which underpin our collection of employment diversity monitoring in 2014-15, including through implementation of an e-recruitment system and on our internal HR system, to reflect current good practice and recently published guidance.</p> <p>In 2015-16, we took steps to encourage staff to complete the confidential diversity monitoring questionnaire on our HR system. By the end of the year, 78 per cent of staff had completed the questionnaire. Our employment information for the year analysed by protected characteristic is presented in Appendix 2 of this report. This information was used to inform our equal pay audit and is currently being used to inform an impact assessment of a pay offer for 2016-17 and 2017-18.</p>
<p>8 Remove significant gender pay differences (and other unwarranted pay differences in relation to characteristics) within Wales Audit Office pay bands through the continued application of the Wales Audit Office's current pay alignment arrangements.</p>	<p>Work on our first full equal pay audit was commenced in February 2016. The scope of the audit was to identify any significant overall basic salary pay gaps or pay gaps within individual pay bands by five protected characteristics – gender, age, sexual orientation, impairment (disability) and ethnicity, explore the reasons for those gaps and prepare an action plan aimed at reducing any 'unjustifiable' gaps that were identified.</p> <p>The outcomes from the equal pay audit are discussed in this report and were presented to Management Committee and the Wales Audit Office Board in July 2016 for consideration, alongside a proposed action plan aimed at reducing certain gaps.</p>

Objective	Effectiveness of steps taken and progress made
<p>9 We will seek to address structural gender pay differences caused by recruitment and promotion arrangements, and ongoing working conditions.</p>	<p>Our staff surveys have yielded little information to explain gender pay differences and similarly little to address them. However, as outlined earlier in this report, we are now organising focus groups for women, young employees (aged less than 35 years) and non-white employees to explore these issues.</p>
<p>10 We will seek to foster good relations between Wales Audit Office staff sharing relevant protected characteristics and those that do not by providing senior staff 'allies'.</p>	<p>In 2015-16, our equality 'champions', including members of the Wales Audit Office Board and our staff Equality Interest Group, continued to work hard to ensure that staff at all levels have an opportunity to share or discuss equality issues, and are supported where they express any concerns.</p>

Appendix 2

Our employment information for the year analysed by protected characteristic

The figures in the tables have been rounded to the nearest 10, and where the number is fewer than five (except where zero), the number is indicated by an asterisk '*'. This is to prevent unfair processing of personal information through deduction. In the supporting pie charts showing relative proportions of employees and job applicants by category, figures are also rounded to the nearest 10.

No figures can be given in respect of gender reassignment, or for grievance or disciplinary proceedings in respect of all protected characteristics, without risking unfair processing of personal information through deduction.

As outlined in our [Equality Report for 2014-15](#), a revised diversity monitoring question and category framework and new e-recruitment system were launched in November 2014. External recruitment information analysed by protected characteristic for the period 1 November 2014 to 31 March 2015 is also included in the tables.

Pregnancy, maternity and adoption information held by the Wales Audit Office was confined to records of maternity and adoption leave. The Wales Audit Office does not currently gather employment information on the number of staff who have applied for, are successful or unsuccessful in their application for, and who have completed training, in a way that facilitates analysis by protected characteristic.

Information analysing the number of persons and proportion of staff employed by sex in terms of job, grade and pay was published in the Remuneration and Staff Report section of our [Annual Report and Accounts 2015-16](#).

Analysis by contract type/working pattern

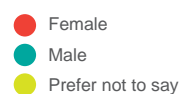
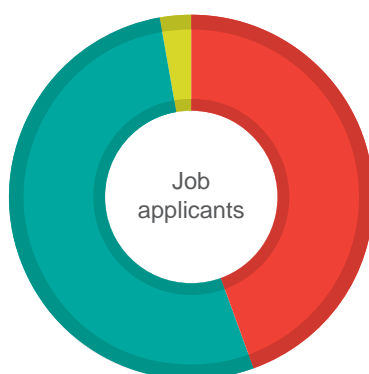
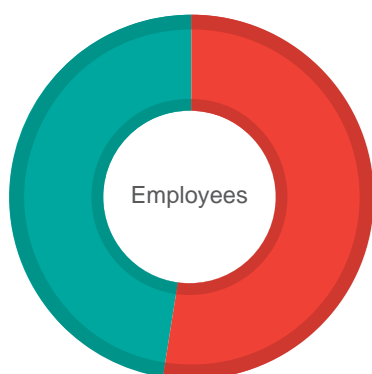
Question: Which of the following describes how you think of yourself?

	Female	Male	In another way	Prefer not to say	No data
Full time	80 (75.0%)	90 (95.6%)	0	*	50 (82.8%)
Part time – term time	* (2.9%)	0	0	0	* (1.6%)
Part time – other	20 (22.1%)	* (4.4%)	0	0	10 (15.6%)

Gender

Question: Which of the following describes how you think of yourself?

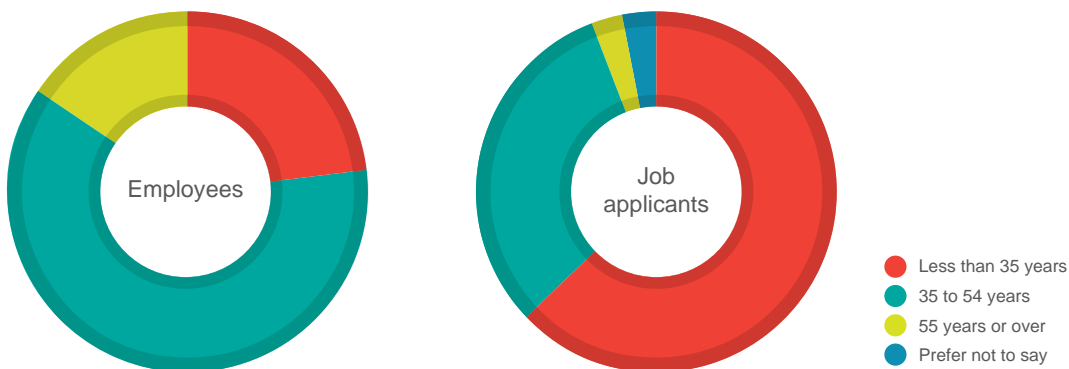
	Female	Male	In another way	Prefer not to say	No data
Number of persons employed as of 31 March 2016	100	90	0	*	60
Number of persons who applied for a job at the Wales Audit Office in 2015-16 (excluding current staff)	160	190	0	10	20
Number of persons who applied for a job at the Wales Audit Office during the period 1 November 2014 to 31 March 2015 (excluding current staff)	50	100	0	*	*
Number of staff who applied to change position within the Wales Audit Office during 2015-16	20	30	0	*	20
Number who were successful	10	10	0	0	10
Number who were unsuccessful	10	20	0	*	10
Number of staff who left the organisation in 2015-16	*	*	0	0	10



Age

Question: What is your age?¹³

	Less than 35 years	35 to 54 years	55 years or over	Prefer not to say	No data
Number of persons employed as of 31 March 2016	60	160	40	0	0
Number of persons who applied for a job at the Wales Audit Office in 2015-16 (excluding current staff)	220	110	10	10	20
Number of persons who applied for a job at the Wales Audit Office during the period 1 November 2014 to 31 March 2015 (excluding current staff)	120	20	10	*	*
Number of staff who applied to change position within the Wales Audit Office during 2015-16	10	50	10	0	0
Number who were successful	10	20	*	0	0
Number who were unsuccessful	*	30	10	0	0
Number of staff who left the organisation in 2015-16	*	*	10	0	0

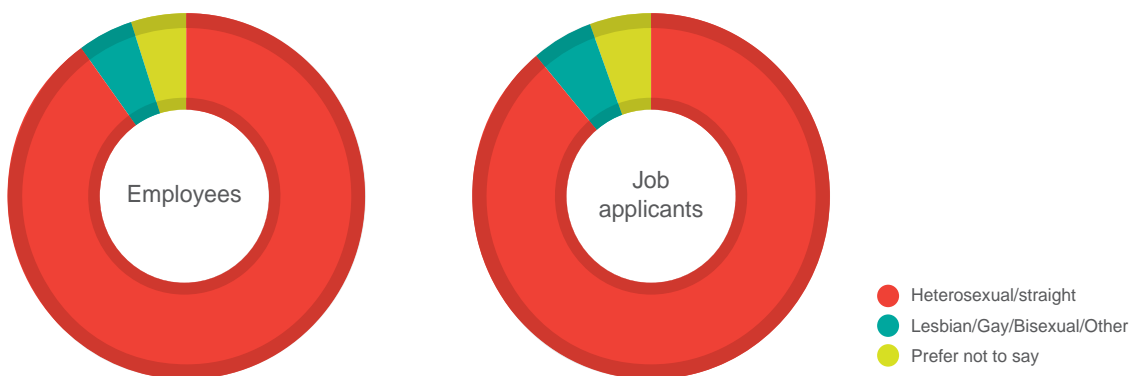


¹³ Our age data is sourced separately within our HR system, other than for job applications, where the source is the diversity monitoring section of the application form.

Sexual orientation

Question: What is your sexual orientation?

	Heterosexual/ straight	Lesbian/Gay/ Bisexual/Other ¹⁴	Prefer not to say	No data
Number of persons employed as of 31 March 2016	180	10	10	60
Number of persons who applied for a job at the Wales Audit Office in 2015-16 (excluding current staff)	320	20	20	20
Number of persons who applied for a job at the Wales Audit Office during the period 1 November 2014 to 31 March 2015 (excluding current staff)	130	10	10	*
Number of staff who applied to change position within the Wales Audit Office during 2015-16	50	*	*	20
Number who were successful	20	*	0	10
Number who were unsuccessful	30	*	*	10
Number of staff who left the organisation in 2015-16	10	0	*	10

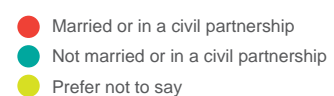
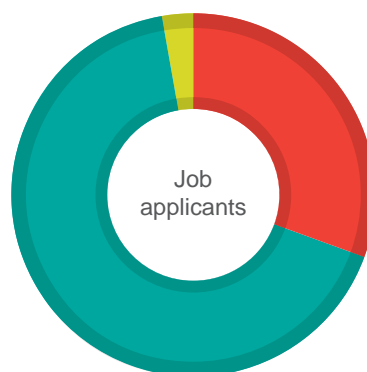
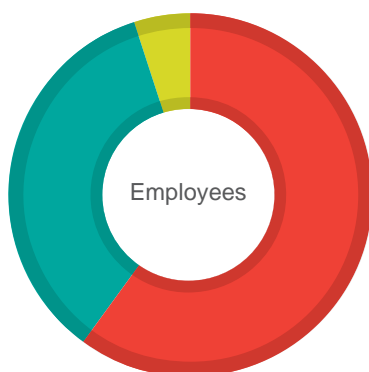


¹⁴ Sum of those that selected the categories 'Bisexual', 'Gay man', 'Gay woman/lesbian', and 'Other'.

Marriage and civil partnership

Question: Are you married or in a civil partnership?

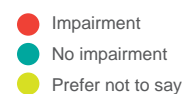
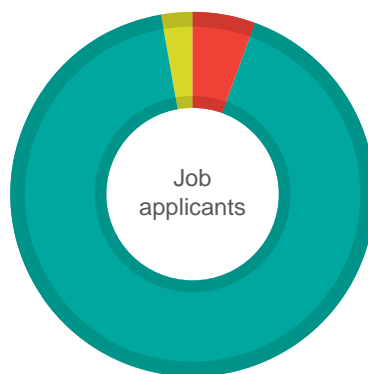
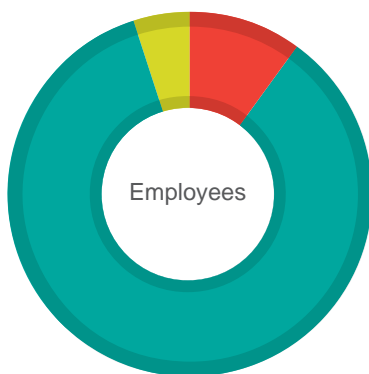
	Yes	No	Prefer not to say	No data
Number of persons employed as of 31 March 2016	120	70	10	60
Number of persons who applied for a job at the Wales Audit Office in 2015-16 (excluding current staff)	110	240	10	20
Number of persons who applied for a job at the Wales Audit Office during the period 1 November 2014 to 31 March 2015 (excluding current staff)	30	120	10	*
Number of staff who applied to change position within the Wales Audit Office during 2015-16	40	20	*	20
Number who were successful	10	10	0	10
Number who were unsuccessful	20	10	*	10
Number of staff who left the organisation in 2015-16	*	*	0	10



Disability (impairment)

Question: Do you consider yourself to have an impairment?

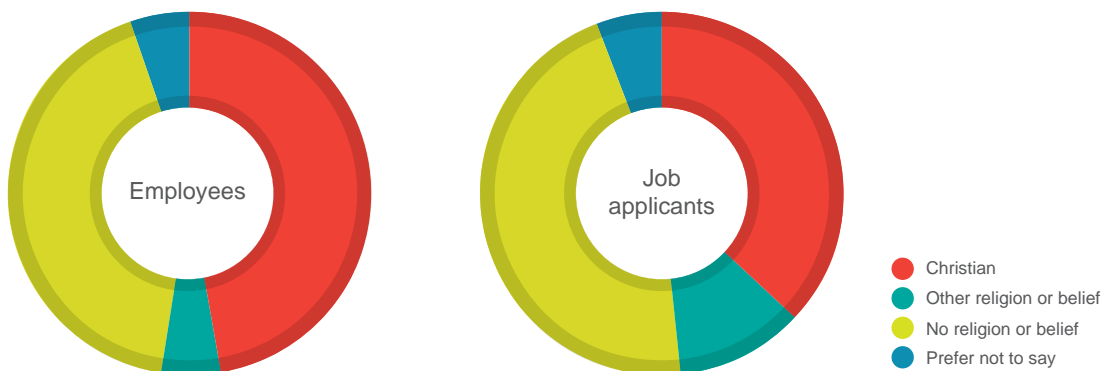
	Yes	No	Prefer not to say	No data
Number of persons employed as of 31 March 2016	20	170	10	60
Number of persons who applied for a job at the Wales Audit Office in 2015-16 (excluding current staff)	20	330	10	20
Number of persons who applied for a job at the Wales Audit Office during the period 1 November 2014 to 31 March 2015 (excluding current staff)	*	140	*	*
Number of staff who applied to change position within the Wales Audit Office during 2015-16	*	50	*	20
Number who were successful	0	20	*	10
Number who were unsuccessful	*	30	*	10
Number of staff who left the organisation in 2015-16	*	10	0	10



Religion or belief (or lack of religion or belief)

Question: What is your religion or belief (including lack of religion or belief)?

	Christian ¹⁵	Other religion or belief ¹⁶	No religion or belief	Prefer not to say	No data
Number of persons employed as of 31 March 2016	90	10	80	10	60
Number of persons who applied for a job at the Wales Audit Office in 2015-16 (excluding current staff)	130	40	160	20	20
Number of persons who applied for a job at the Wales Audit Office during the period 1 November 2014 to 31 March 2015 (excluding current staff)	60	20	70	10	*
Number of staff who applied to change position within the Wales Audit Office during 2015-16	20	10	20	10	20
Number who were successful	10	*	10	0	10
Number who were unsuccessful	10	10	10	10	10
Number of staff who left the organisation in 2015-16	*	0	*	0	10



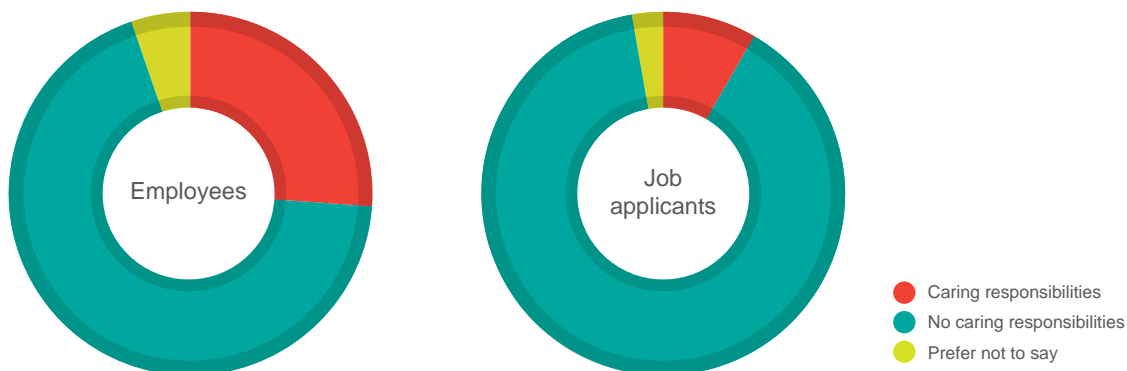
¹⁵ All denominations.

¹⁶ Sum of those that selected the categories 'Buddhist', 'Hindu', 'Jewish', 'Muslim', 'Sikh' and 'Other'.

Caring responsibilities

Question: Do you have caring responsibilities?¹⁷

	Yes	No	Prefer not to say	No data
Number of persons employed as of 31 March 2016	50	130	10	60
Number of persons who applied for a job at the Wales Audit Office in 2015-16 (excluding current staff)	30	320	10	20
Number of persons who applied for a job at the Wales Audit Office during the period 1 November 2014 to 31 March 2015 (excluding current staff)	*	150	*	*
Number of staff who applied to change position within the Wales Audit Office during 2015-16	10	40	*	20
Number who were successful	10	20	*	10
Number who were unsuccessful	10	20	*	10
Number of staff who left the organisation in 2015-16	*	*	0	10

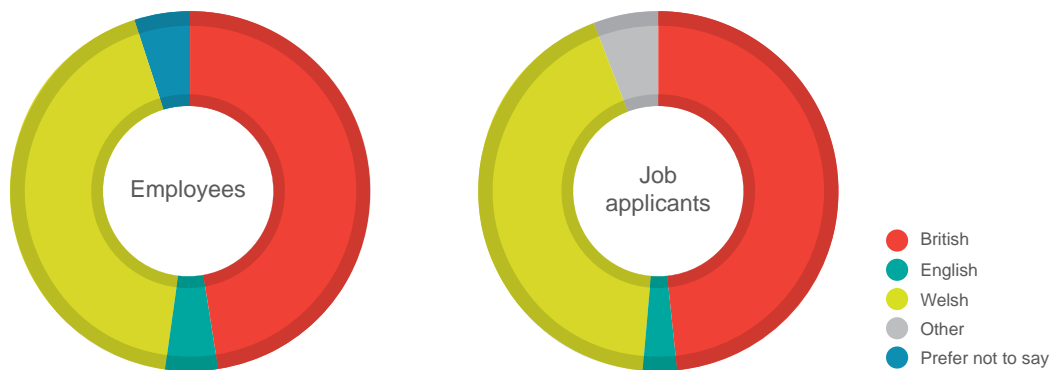


¹⁷ We define a carer as 'anybody who looks after a family member, partner or friend who needs help because of their illness, frailty or disability - all the care they provide is unpaid'.

National identity

Question: How would you describe your national identity?

	British	English	Welsh	Other ¹⁸	Prefer not to say	No data
Number of persons employed as of 31 March 2016	100	10	90	*	10	60
Number of persons who applied for a job at the Wales Audit Office in 2015-16 (excluding current staff)	170	10	150	20	*	20
Number of persons who applied for a job at the Wales Audit Office during the period 1 November 2014 to 31 March 2015 (excluding current staff)	80	*	50	10	*	*
Number of staff who applied to change position within the Wales Audit Office during 2015-16	30	0	20	0	*	20
Number who were successful	10	0	10	0	*	10
Number who were unsuccessful	20	0	10	0	*	10
Number of staff who left the organisation in 2015-16	*	0	*	0	0	10

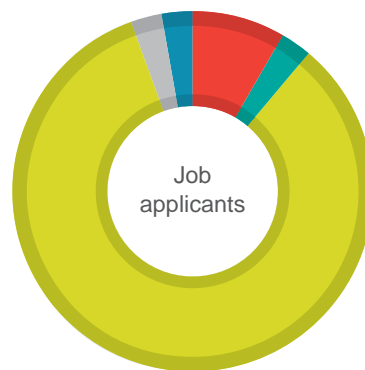
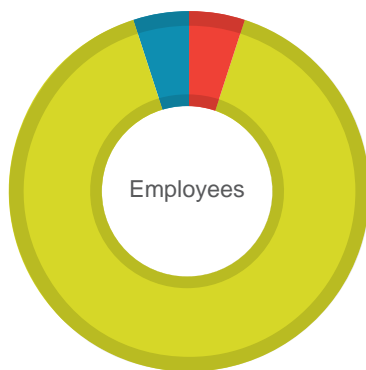


¹⁸ Sum of those that selected the categories 'Northern Irish', 'Scottish' and 'Other'.

Ethnicity

Question: What is your ethnicity?

	Asian ¹⁹	Black ²⁰	White ²¹	Mixed or Other ²²	Prefer not to say	No data
Number of persons employed as of 31 March 2016	10	0	180	*	10	60
Number of persons who applied for a job at the Wales Audit Office in 2015-16 (excluding current staff)	30	10	300	10	10	20
Number of persons who applied for a job at the Wales Audit Office during the period 1 November 2014 to 31 March 2015 (excluding current staff)	10	10	130	*	*	*
Number of staff who applied to change position within the Wales Audit Office during 2015-16	*	0	50	0	*	20
Number who were successful	0	0	20	0	0	10
Number who were unsuccessful	*	0	30	0	*	10
Number of staff who left the organisation in 2015-16	0	0	10	0	0	10



19 Sum of those that selected Asian/Asian British sub-categories.

20 Sum of those that selected Black/Black British sub-categories.

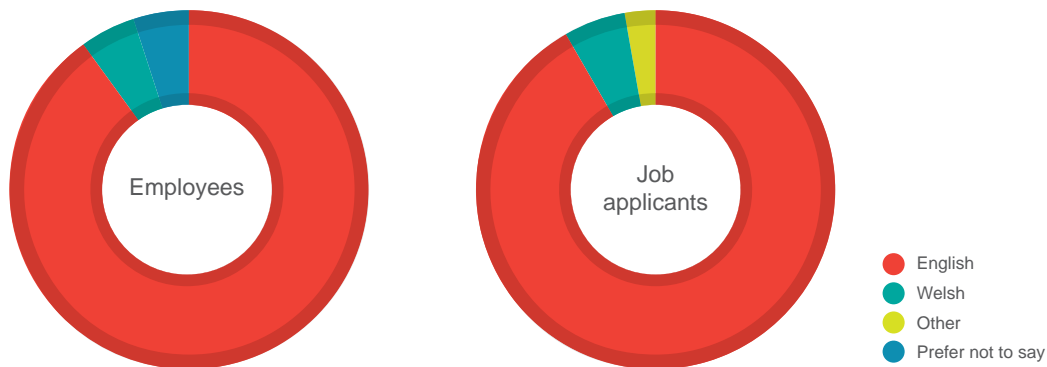
21 Sum of those that selected White sub categories.

22 Sum of those that selected Mixed/multiple ethnic groups and Other ethnic group sub-categories.

Language

Question: What is your main language?

	English	Welsh	Other ²³	Prefer not to say	No data
Number of persons employed as of 31 March 2016	180	10	*	10	60
Number of persons who applied for a job at the Wales Audit Office in 2015-16 (excluding current staff)	330	20	10	*	20
Number of persons who applied for a job at the Wales Audit Office during the period 1 November 2014 to 31 March 2015 (excluding current staff)	140	10	10	*	*
Number of staff who applied to change position within the Wales Audit Office during 2015-16	50	0	0	*	20
Number who were successful	20	0	0	*	10
Number who were unsuccessful	30	0	0	*	10
Number of staff who left the organisation in 2015-16	10	0	0	0	10



²³ In the diversity monitoring form, the full description for this category is 'Other (including British Sign Language)'.

Appendix 3

Key outcomes from our equal pay audit using workforce information as of 31 December 2015

Gender

Question: Which of the following describes how you think of yourself?

	Female	Male
Proportion employed in bands 1 to 4 and technician and trainee bands %	73.1	57.1
Proportion employed in bands 5 and above %	26.9	42.9
Mean basic full-time equivalent salary £	36,253	44,623
Pay gap %	-18.8	–

Age

Question: What is your age?

	Less than 35 years	35 to 54 years	55 years and over
Proportion employed in bands 1 to 4 and technician and trainee bands %	100.0	52.5	44.2
Proportion employed in bands 5 and above %	0.0	47.5	55.8
Mean basic full-time equivalent salary £	25,490	46,142	46,553
Pay gap %	-44.8	–	0.9

Sexual orientation

Question: What is your sexual orientation?

	Heterosexual /straight	Lesbian/Gay/ Bisexual/ Other
Proportion employed in bands 1 to 4 and technician and trainee bands %	65.6	50.0
Proportion employed in bands 5 and above %	34.4	50.0
Mean basic full-time equivalent salary £	40,209	46,386
Pay gap %	–	15.4

Disability (impairment)

Question: Do you consider yourself to have an impairment?

	Yes	No
Proportion employed in bands 1 to 4 and technician and trainee bands %	66.7	65.3
Proportion employed in bands 5 and above %	33.3	34.7
Mean basic full-time equivalent salary £	41,039	40,096
Pay gap %	2.4	–

Ethnicity

Question: What is your ethnicity?

	Asian, Mixed or Other	White
Proportion employed in bands 1 to 4 and technician and trainee bands %	100.0	64.4
Proportion employed in bands 5 and above %	0.0	35.6
Mean basic full-time equivalent salary £	30,102	40,220
Pay gap %	-25.2	–

Wales Audit Office

24 Cathedral Road

Cardiff CF11 9LJ

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone: 029 2032 0660

E-mail: info@wao.gov.uk

Website: www.wao.gov.uk

Swyddfa Archwilio Cymru

24 Heol y Gadeirlan

Caerdydd CF11 9LJ

Ffôn: 029 2032 0500

Ffacs: 029 2032 0600

Ffôn Testun: 029 2032 0660

E-bost: info@wao.gov.uk

Gwefan: www.wao.gov.uk