



NOTTINGHAMSHIRE
Fire & Rescue Service
Creating Safer Communities

Nottinghamshire and City of Nottingham
Fire and Rescue Authority
Human Resources Committee

EQUAL PAY REVIEW AND GENDER PAY GAP AUDIT

Report of the Chief Fire Officer

Date: 04 May 2018

Purpose of Report:

To report the outcomes of the Equal Pay Review and Gender Pay Gap Audit for the year 2017-18.

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1. BACKGROUND

- 1.1 The Service has undertaken an equal pay audit on a three-yearly basis since 2010. The review looks at pay by workforce group and seeks to identify any anomalies, specifically looking at the differences in pay based upon gender, ethnic background and age.
- 1.2 In April 2017, the government introduced a duty on employers with more than 250 employees to calculate and publish six specific measures in relation to the pay gap between men and women in their organisation. Pay data is collected on a specific pay date, 31 March 2017 and must be published on the national register by 31 March 2018.

2. REPORT

- 2.1 The Service commissioned an independent pay and reward consultancy to undertake both an equal pay review and gender pay gap audit. The pay period reviewed covered 2016-17 and looked at differences in pay based upon gender, age and race for the different pay groups – ie: whole-time, retained and support roles.

EQUAL PAY REVIEW

- 2.2 The review concluded that current pay structures which set base pay for different roles are equitable and meet the requirements of the Equality Act in relation to age related progression. There is no evidence of discriminatory pay based on the factors set out above.
- 2.3 This outcome is linked to the fact that pay points across all pay groups are aligned to national pay grades.
- 2.4 The review did outline areas where the Service may notionally be open to equal pay or equal value claims. These relate to certain over-lapping pay points on the local grades applied to support roles, and to differences in additional payments such as overtime, stand-by and acting up arrangements. However, these differences can be justified and are proportionate to the gender profile within each employee group.
- 2.5 The current national review of pay points for support roles, aligned to the impact of the national living wage requirements, which is due to conclude during 2018 for implementation from April 2019, is likely to address the issue of over-lapping pay points. As this represents a low risk to the Service, no further action will be taken until the national review has been completed.
- 2.6 A further review of additional payments, will be undertaken during 2018 and will report into the Equality Steering Group, chaired by the Deputy Chief Fire Officer. This will focus on ensuring equal access to additional payments across all work groups.

GENDER PAY GAP AUDIT

- 2.7 The six specific measures that must be collated and reported as part of the gender pay gap duty are:
- The difference in the mean hourly rate of pay;
 - The difference in the median hourly rate of pay;
 - The difference in mean bonus pay;
 - The difference in median bonus pay;
 - The proportion of male and female employees who were paid bonus pay;
 - The proportion of male and female employees according to quartile pay bands.
- 2.8 The data provided for the gender pay gap audit was a snapshot of pay on 31 March 2017. The data includes hourly rate and additional payments such as overtime, acting up payments, expenses etc.
- 2.9 The outcomes from the audit are attached as Appendix A.
- 2.10 The findings for the Service show that the average difference in pay is 20% and the median difference is 11.9% (indicates women's pay compared to men's pay). This compares with a public-sector average of 17.7% and a median of 19.4% based on ONS provisional public-sector gender pay gap data. However, this national figure is likely to change as further employers report their findings.
- 2.11 The Service does not make bonus payments and therefore has not reported on this element of the audit.
- 2.12 Given the gender balance within the workforce (83.6% male and 16.84% female) and the proportion of men in higher graded operational roles, the outcomes are not unexpected or disproportionate. It is important to stress that this analysis indicates that men and women are not paid differently for the same work.
- 2.13 The impact of variable payments can have a skewing effect on the final results and the nature of the retained duty system (RDS) has undoubtedly affected the overall outcome. Within the report, a comparison has been made for pay groups and this shows that the gender pay gap for RDS employees is higher than for other groups. The mean average for RDS pay is 22.7%, compared to 10.9% of whole-time employees and 7.7% for support employees and the median average is 27.1% of RDS pay compared to 8.7% for Whole-time employees and 1% for support employees. This anomaly primarily relates to the relatively small number of women in RDS roles, 11 out of 258 RDS employees.
- 2.14 In terms of reducing the gender pay gap, the Service already has in place policies and pay structures that are reflective of best practice outlined in guidance documents, however the following action points have been established to seek to reduce the gender pay gap:

- Undertake action to increase the number of female firefighters;
- Seek to make our Service policies and practices more family-friendly and attractive to women;
- Establish and address the reasons that few female firefighters are promoted to supervisory and management roles.

2.15 The next gender pay gap audit will be based upon pay data on 31 March 2018 and must be posted on the government website by April 2019.

3. FINANCIAL IMPLICATIONS

There are no direct financial implications arising from the outcomes of the equal pay review or gender pay gap audit.

4. HUMAN RESOURCES AND LEARNING AND DEVELOPMENT IMPLICATIONS

The human resources implications are contained within the body of the report.

5. EQUALITIES IMPLICATIONS

The equal pay review and gender pay gap audit are designed to highlight any pay anomalies based upon gender, race and age and therefore have a positive role to play in ensuring that there is no direct or indirect bias in any pay structure which adversely impacts upon employees with these protected characteristics.

6. CRIME AND DISORDER IMPLICATIONS

There are no crime and disorder implications arising from this report.

7. LEGAL IMPLICATIONS

The requirement for employers to undertake and report on their gender pay gap audit arises from the Equalities Act 2010 (Specific Duties and Public Authorities) Regulations 2017.

8. RISK MANAGEMENT IMPLICATIONS

8.1 The risk of equal pay or equal value claims may arise when pay rates are applied without a grading and salary progression structure which can objectively justify the relative pay position of, and benefits paid to, both men and women. The Service's existing pay policies make it extremely unlikely

that a successful pay claim could be made, however the equal pay review provides some objective assurance to this effect.

- 8.2 The gender pay gap audit is a statutory requirement, and the outcomes indicate that there are some differences which have created a disparity between men and women's pay. The reasons for this disparity are set out within the report and, whilst it may be difficult to create a situation whereby there is no pay disparity between male and female employees' due to the gender profile of the workforce, action points have been identified to address underlying issues.

9. COLLABORATION IMPLICATIONS

As the information under review is specific to the Nottinghamshire Fire and Rescue Service as an employer, there are no collaboration implications.

10. RECOMMENDATIONS

That Members note the report.

11. BACKGROUND PAPERS FOR INSPECTION (OTHER THAN PUBLISHED DOCUMENTS)

None.

John Buckley
CHIEF FIRE OFFICER



Gender Pay Gap Reporting – 2017/18

Published date February 2018

Nottinghamshire Fire & Rescue Service Gender Pay Gap Report 2017

Forward by, Chief Fire Officer

This is the organisation's first Gender Pay Gap Reporting report under the new regulations contained in the Equality Act 2010. This report is an important focus for us to fully understand our pay gap, the underlying reasons for the gap and provides a basis for addressing any issues or concerns. The executive management team are committed to ensuring equality at work.

Chief Fire Officer

February 2018

Introduction

In April 2017, the Government introduced legislation requiring all employers with 250 or more employees to calculate and publish six specific measures regarding the pay gap between men and women in their organisation. Relevant organisations are required to collect data on a snapshot date of 31 March 2017 and then publish the metrics before 30 March 2018 and thereafter publish the same data annually. The six metrics required by the regulations are:

- The difference in the mean hourly rate of pay
- The difference in the median hourly rate of pay
- The difference in the mean bonus pay
- The difference in the median bonus pay
- The proportion of male and female employees who were paid bonus pay
- The proportion of male and female employees according to quartile pay bands

As Nottinghamshire Fire & Rescue Service has more than 250 employees, it is a relevant organisation covered by the regulations and as such data was collected on the snapshot date of 31 March 2017. This identified 905 employees included in the Gender Pay Gap analysis of which 770 (85%) were male and 135 (15%) were female.

The gender pay gap shows the difference in average pay between all men and women in the workforce. If a workforce has a particularly high gender pay gap, this can indicate there may be a number of issues to deal with, and the individual calculations may help identify what those issues are.

The gender pay gap is different from equal pay. Equal pay deals with the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value. It is unlawful to pay people unequally because they are a man or a woman.

Nottinghamshire Fire Service is committed to fairness and equality. In particular, promoting equality of opportunity for all and a culture that values differences. As an employer, we want to ensure our workforce is representative of the community it serves and attract and retain talented employees from a wide range of

backgrounds and with diverse skills and experience. We regularly carry out an equal pay audit to ensure that our systems and processes are fair, equitable and robust – the last equal pay audit was completed in February 2018.

All of the data included in this report has been calculated in accordance with the requirements of the Equality Act 2010 – Specific Duties and Public Authorities Regulations 2017.

Gender Pay Gap Reporting

The six metrics required by the 2017 regulations are shown in the tables and charts below. We have provided additional commentary to explain the context and results for the Fire Service.

Metrics 1, 2, 3 and 4

| Difference between men and women | Mean (Average) | Median (Middle) |
|----------------------------------|----------------|-----------------|
| Gender Pay Gap | 20.0% | 11.9% |
| Gender Bonus Gap | 0.0% | 0.0% |

Metric 5

| Proportion of employees receiving Bonus | Female | Male |
|---|--------|--------|
| Receiving Bonus | 0.0% | 0.0% |
| Not receiving Bonus | 100.0% | 100.0% |

The overall mean gender pay gap for the Fire Service is 20.0%, which means that male employees receive, on average, 20.0% more pay than female employees. The median pay gap is 11.9%. The Fire Service's mean gender pay gap is above the national public sector mean of 17.7% but is below the national public sector median of 19.4%¹.

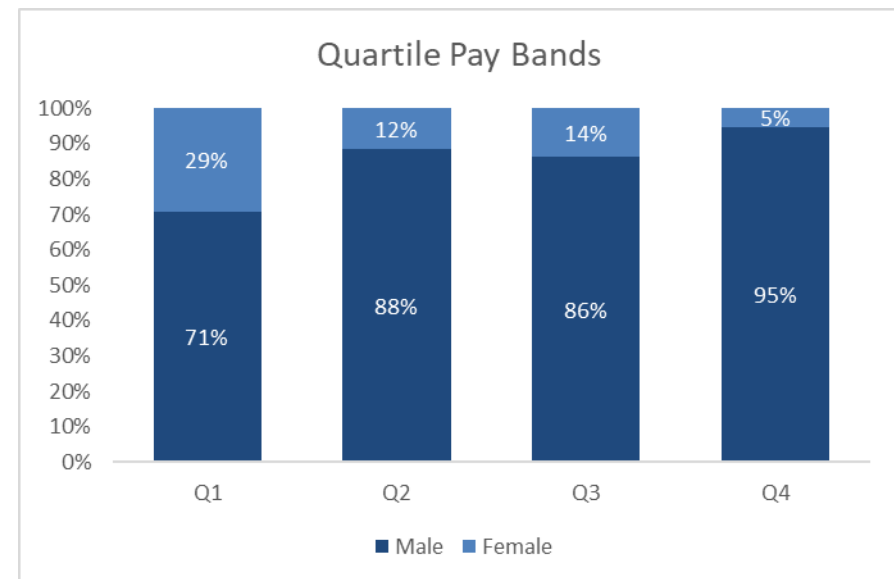
The Fire Service does not pay bonus to any employees.

All employees at the Fire Service have been included in the scope of the report. There are four distinct groups of employees and these are Wholetime Fire Fighters, Control Fire Fighters, Retained Fire Fighters and Support Staff.

¹ ONS Provisional 2017 Public Sector Gender Pay Gap

The pay gaps do not indicate that male and female employees are being paid differently for equal work. The Fire Service applies the nationally agreed framework of roles and pay scales, which defines the content of each role and the national pay rate for Fire Fighters, Control staff and Retained Fire Fighters. The Fire Service also operates a robust grading structure based on a non-discriminatory job evaluation scheme, for support staff, to ensure that we comply with equality legislation and provide equal pay for work of equal value.

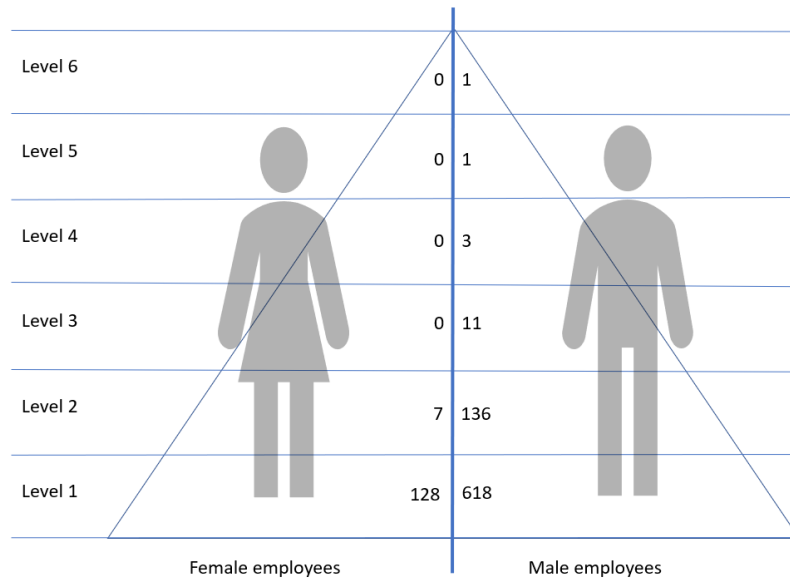
Metric 6



The pay quartile analysis shows that there is a higher proportion of female employees in the lower quartile and it is this distribution of employees that

results in the gender pay gaps. The distribution of employees is more clearly shown in the 'pyramid' diagram below and demonstrates why there is a difference in the average pay between female and male employees.

Note: Diagram for illustrative purposes only - NOT TO SCALE



The pyramid diagram has simply been produced by creating six equal pay levels in the organisation. The lowest hourly rate in the organisation is £7.39 and the highest is £93.82. Therefore, the span of each pay band above is £14.40 per level.

The overall results are heavily skewed by our Retained workforce. The results for the staff groups separately are:

| | (Including Control) | | |
|--------|---------------------|-------|------|
| Mean | 10.9% | 22.7% | 7.7% |
| Median | 8.7% | 27.1% | 1.0% |

The table above shows that the mean and median gender pay gap is lower than the national figures (ONS) for public sector employers for Wholetime Fire Fighters (including Control staff) and Support Staff. The Fire Service has 248 Retained Fire Fighters in various operational roles – only 6 of these are female and all but one of these are 'basic' Fire Fighters. Whereas male Retained Fire Fighters occupy a broader range of roles including Fire Fighter, Crew Manager and Watch Manager. Because of the very structured nature of pay in the Fire Service men and women are paid equally for the same level of work.

| Measure | Wholetime Fire Fighters | Retained Fire Fighters | Support Staff |
|---------|-------------------------|------------------------|---------------|
|---------|-------------------------|------------------------|---------------|

The overall results are heavily skewed by our Retained workforce (RDS). The reason for this relates to the historically low number of women who apply to be, and are employed as, Retained Firefighters. RDS fire-fighters are available on-call to attend emergency incidents or provide community support for a minimum of 84 and maximum of 120 hours per week. They are paid an annual retaining fee and an hourly rate for any work they undertake. This is a significant commitment, often undertaken whilst having another primary employment, and only those who live or work within five minutes of their local station are eligible. This results in a very small pool of potential candidates who can meet all of these criteria. Very few of these are women. At the moment we have 11 female RDS Firefighters out of a total of 260. This disparity will obviously be reflected in the gender pay gap.

Across the full-time operational workforce there are currently 23 female Firefighters out of a total of 446. Whilst the gender pay gap is not so wide as for our RDS employees, it is still something that we wish to close.

Closing the Gap

Nottinghamshire Fire and Rescue Service is committed to ensuring equality in our workforce and demonstrate this by:

- Providing positive action measures to encourage more women to apply for Fire-fighter roles
- Offering flexible working options to all our workforce
- Using job evaluation to determine support role grades to ensure pay parity
- Ensuring that our selection and promotion procedures are fair and accessible
- Providing enhanced occupational maternity pay
- Undertaking equal pay checks (in addition to gender pay gap review)
- Introduction of an Aspiring Leaders Programme open to the whole workforce
- Development programmes for supervisory and middle managers
- Working with our female employees to establish and address any difficulties that they face in the workplace

However, we are not complacent about the challenge to narrow the gender pay gap within Nottinghamshire Fire & Rescue Service, and we commit to the following over the coming year:

Undertake action to increase the number of operational Firefighters who are women

Seek to make our policies and practices more family friendly and attractive to women
Establish the reasons that female Firefighters do not apply for promotion and address them