



NOTTINGHAMSHIRE
Fire & Rescue Service
Creating Safer Communities

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

OUTCOMES OF THE EQUAL PAY REVIEW

Report of the Chief Fire Officer

Date: 11 July 2014

Purpose of Report:

To update the Committee on the outcomes and recommendations from the Equal Pay Review undertaken in 2013.

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1. BACKGROUND

- 1.1 The Service undertakes an equal pay review on a three yearly basis. The last review was published in 2010 and found no significant equal pay disparities.
- 1.2 The Review is undertaken by an independent HR consultancy who review pay data at a specific pay – date. They analyse all pay, allowances and supplements to establish whether there are any anomalies which might indicate a difference between the payments received by male and female employees, and whether such anomalies are justified or represent a disparity in pay policy.
- 1.3 This year the consultants were also asked to undertake a review which also included an analysis of pay by age and ethnic origin.

2. REPORT

- 2.1 The review produced by Project HR – Reward Specialists concluded that there were no significant pay disparities identified between male and female employees, nor any disparities linked to age or ethnic origin.
- 2.3 The recommendations from the report were as follows, and relate only to support roles. There were no disparities in pay identified for uniformed employees, in either the Wholetime or Retained workforce. The recommendations were as follows:
 - (a) Consider reducing the width of grades 3 and 5 by removing 2 pay points from the bottom of grade 3 and one pay point from the bottom of grade 5.
 - (b) Review Extra Salary and Special Responsibility Allowances to determine if they can be objectively justified
 - (c) Investigate overtime payments to explain why plain time rates are only paid to women.
- 2.4 In terms of recommendation (a), this reflects the fact that there are overlapping salary points across some grade boundaries for support employees. For instance, the top 2 salary points of Grade 2 are also the first 2 salary points of Grade 3. It was acknowledged within the report that there was a very low likelihood of an equal pay challenge given the gender composition of the employees within these salary groups but that it was an anomaly within the overall grading structure.
- 2.5 The Finance section undertook some pay modelling to establish the impact of removing overlapping grades. The immediate cost would be in the region of £3,982 and the five year cost, based on average turnover rates, would be in the region of £16, 649 based on current pay rates. In order to apply

consistency to the grading scheme, it was proposed that any removal of pay points to Grade 3 should also apply to Grade 2 i.e. both bands would have 3 pay points. The cost of reducing Grade 2 pay points would be £1,913, rising to £2,594 over a five year period. A total immediate cost of £5,895, and £19,243 over five years.

- 2.6 The Corporate Management Board considered this recommendation and concluded that the cost of applying the proposed changes at a time when the Service was seeking to reduce its salary bill, and could be facing compulsory redundancies, could not be justified at the current time. However it was accepted that this proposal could be considered in the future when the financial situation was more secure.
- 2.7 In terms of recommendation (b), on investigation the payments related to specific additional activities, some of which are payable for a short period of time. On this basis, the payments are justified and could apply to either men or women who were undertaking this additional responsibility.
- 2.8 In terms of recommendation (c), overtime payments are paid at flat rate to part-time employees and become enhanced once hours worked exceed the full-time standard week (i.e. 37 hours). This is justified as part-time and full-time employees are treated in the same way. The report accepts that this application of overtime payments does not adversely affect part-time workers – the majority of whom are women.
- 2.9 Whilst the report did identify pay differences based on age, these reflect the fact that employees enter the pay grade at the lowest point and then progress incrementally as they become more experienced and competent in role. The number of salary points within each grade band reflects the statutory guidance on the length of pay bands i.e. that they should generally be no more than five salary points. On this basis the anomaly was justified and did not suggest age discrimination in the pay structure. No anomalies were identified on the basis of ethnic origin.
- 2.10 Whilst the Service is confident that its pay structures do not discriminate against any group of employees, the outcome of this independent review confirms this through objective analysis. The next equal pay review will be undertaken in 2016.

3. FINANCIAL IMPLICATIONS

There are no financial implications arising from this report.

4. HUMAN RESOURCES AND LEARNING AND DEVELOPMENT IMPLICATIONS

The implications for human resources and learning and development are contained within the report.

5. EQUALITY IMPACT ASSESSMENT

The Equal Pay Review is undertaken to ensure that there are no pay disparities which cannot be justified under the provisions of the Equality Act 2010. As such, the Service is meeting the expectations enshrined in the Act to undertake an independent review of its payment structures.

6. CRIME AND DISORDER IMPLICATIONS

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

7. LEGAL IMPLICATIONS

Under the Equality Act, claims may be made to an employment tribunal where there is evidence that pay structures may be gender biased. This review has not identified any specific issues regarding disparities within Service pay structures, which may result in a successful equal pay claim.

8. RISK MANAGEMENT IMPLICATIONS

The equal pay review is undertaken to ensure fairness in the pay structure, and to reduce the risk of equal pay claims.

9. RECOMMENDATIONS

It is recommended that Members note the outcomes of the Equal Pay Review 2013.

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

None.

John Buckley
CHIEF FIRE OFFICER