

# ROYAL BERKSHIRE FIRE AUTHORITY REPORT



<b>COMMITTEE</b>	<b>AUDIT AND GOVERNANCE COMMITTEE</b>
<b>DATE OF MEETING</b>	<b>24 JANUARY 2024</b>
<b>SUBJECT</b>	<b>GENDER AND ETHNICITY PAY GAP REPORTS 2023</b>
<b>LEAD OFFICER</b>	<b>LUCY GREENWAY, SENIOR HR ADVISER ORGANISATIONAL DEVELOPMENT</b>
<b>LEAD MEMBER</b>	<b>N/A</b>
<b>EXEMPT INFORMATION</b>	<b>NONE</b>
<b>ACTION</b>	<b>DECISION</b>

## 1. EXECUTIVE SUMMARY

- 1.1 The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 introduced a requirement for the Authority to publish statutory calculations every year showing how large the pay gap is between their male and female employees, as per the calculations detailed on the UK government website (gov.uk). Information must normally be published on the Authority's website before 31 March each year and uploaded onto the Government's Gender Pay Gap Reporting Service.
- 1.2 Ethnicity Pay Gap reporting is not mandatory in the UK, however, for the third year, Royal Berkshire Fire and Rescue Service (RBFRS) has opted to publish its Ethnicity Pay Gap figures voluntarily.
- 1.3 The calculations are complex and prescriptive and include set pay elements on which to base the comparison between male and female and white and ethnic minority groups pay. The complexities of Retained Duty System (On-Call) pay and working patterns increases the difficulties in reporting for RBFRS.
- 1.4 The pay elements included in the calculation are: hourly rate; allowances; on call rates; salary sacrifice deductions; shift premiums and holiday pay. The pay element calculations exclude overtime.
- 1.5 The Gender and Ethnicity Pay Gap Reports are based on the hourly pay rates as at 31 March 2023 (the 'snapshot' date for the public sector).

- 1.6 Our findings for 31 March 2023 identify a median Gender Pay Gap of -2.32% (2022's national median average was 8.3%). The median Ethnicity Pay Gap was for March 2023 was -5.70% (there are no national median averages reported). The median rate is used because it removes the effect of outliers which can skew the figures.
- 1.7 Both the ethnicity and gender pay gap calculations consider pay only and do not consider the overall demographics of the workforce. Care should therefore be taken when considering these figures and they should be looked at in the context of the demographics of the workforce, where female and ethnic minority staff are still significantly underrepresented.
- 1.8 Specific actions to address the findings of the Gender and Ethnicity Pay Gap reports are contained within the Equality Diversity and Inclusion (EDI) Action Plan (Appendix C).

## **2. RECOMMENDATION**

The Audit and Governance Committee:

- 2.1 **NOTE** the details of the Gender Pay Gap Report shown in Appendix A; and **AGREE** it is published on the RBFRS and gov.uk website
- 2.2 **NOTE** the details of the Ethnicity Pay Gap Report shown in Appendix B and **AGREE** it is published on the RBFRS website.
- 2.3 **NOTE** the Equality, Diversity and Inclusion (EDI) Action Plan.

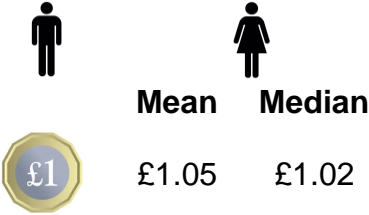
## **3. REPORT**

### **Gender Pay Gap**

- 3.1 Appendix A shows the findings from the calculations used to report the Gender Pay Gap for RBFRS. The method of calculation is set by the Government Gender Pay Gap service and is complex and is made more so by the complex Retained Duty System (On-Call) work patterns and pay structures.
- 3.2 The Gender Pay Gap Report is based on data as at 31 March 2023 at which point Royal Berkshire Fire and Rescue Service (RBFRS) employed 644 staff, with 493 (77%) being male and 150 (23%) being female.
- 3.3 The mean gender pay gap is calculated by adding up the hourly rate of all male/female employees and dividing that figure by the total number of male/female employees.
- 3.4 The median gender pay gap is calculated by listing all hourly rates of each gender and finding the central rate. The median rate is considered to be a better measure as it 'discounts' very high or very low rates which can skew the figures.
- 3.5 A positive pay gap indicated males are paid more than females. A negative pay gap indicates females are paid more than males.

3.6 Our findings have identified overall the mean gender pay gap is -5.70% (i.e. females are paid slightly more than males) and the median is -2.32% (i.e. the median pay for females is more than that of males).

3.7 In simple terms for each £1 earned by males, at RBFRS, females earn:



3.8 At RBFRS the median gender pay gap is considerably better than the available national figures (2022). The national median gender pay gap for 2022 was 8.3%.

3.9 The Gender Pay Gap figures should be considered in the context of the workforce demographic. While RBFRS is below the national average, and we are confident that we are paying staff the same salary for roles of equivalent value, the gap has been created by the recruitment of a large proportion of males into the Firefighter Apprentice roles.

3.10 As part of our reporting we are required to identify the mean and median pay gap for the four quartiles which are shown below. Figures for 2022 have also been included for comparison.

Quartile	Mean Pay Gap		Median Pay Gap	
	2022	2023	2022	2023
Lower	-5.57%	-19.80%	-2.25%	-5.49%
Lower Middle	1.27%	1.54%	0.55%	1.59%
Upper Middle	1.77%	-0.19%	-0.66%	-0.79%
Upper	4.89%	-2.78%	2.57%	-0.46%

3.11 A review of the quartiles shows that the greatest variance with both the mean and medium pay gap is within both the lower and upper quartiles when compared to last year. Recruitment activity of predominantly male Firefighter Apprentices in 2022/23 and subsequent movement within the quartiles has impacted this variance.

3.12 The lower middle quartile remains a positive pay gap for both the mean and median despite all other quartiles moving to a negative pay gap. This quartile has the highest proportion of males overall and is made up of predominately male Firefighters and Crew Managers. Most additional payments are made for skills associated with these roles.

- 3.13 In the other three quartiles the females predominately fall near the top of the quartile leading to the negative pay gap for both the mean and median.
- 3.14 Due to the various elements which make up pay in the fire service including allowances, detachment payments and uniform allowances, the quartiles can be very fluid and therefore pay gaps in this area can appear to be different from the pay gap as a whole.
- 3.15 It is recognised that despite the Gender Pay Gap figures showing a negative pay gap, females are still significantly underrepresented in the operational workforce accounting for 6.85% of this group as at 31 March 2023, which is slight increase in comparison to 6.5% as at 31 March 2022. The service continues to work hard to attract a more diverse workforce through a positive action plan and recruitment opportunities.
- 3.16 Where specific circumstances exist and can be evidenced and the benefit or risk to the organisation quantified, a role specific salary supplement may be applied to an individual, subject to consideration of a business case. An equal pay audit was completed in September 2022 and was presented to the Committee on 23 January 2023. The next equal pay audit will take place in Q1 of 2024.
- 3.17 In line with government guidance issued by the Government Equalities Office an action plan was developed and updated accordingly (Appendix C).
- 3.18 The Report and its action plan will be published on our website and the [gender-pay-gap.service.gov.uk](https://gender-pay-gap.service.gov.uk) site in accordance with the requirements of The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.

### **Ethnicity Pay Gap**

- 3.19 Appendix B shows the findings from the calculations used to report the Ethnicity Pay Gap for RBFRS. The method of calculation is the same as that set by the Government Gender Pay Gap service and is complex and is made more so by the complex Retained Duty System (On-Call) work patterns and pay structures. However, instead of calculating the gap using male and female, the ethnic groups of white and ethnic minority are used. All Staff identifying as white regardless of other descriptor e.g. white-Irish or white-other are allocated to the white group for the purposes of reporting in accordance with guidance.
- 3.20 The Ethnicity Pay Gap Report is based on data as at 31 March 2023 at which point Royal Berkshire Fire and Rescue Service (RBFRS) employed 644 staff with 619 (96%) whose declared ethnicity is white and 25 (4%) declaring they are from an ethnic minority.
- 3.21 The mean ethnicity pay gap is calculated by adding up the hourly rate of all white/ethnic minority employees and dividing that figure by the total number of white/ethnic minority employees.

- 3.22 The median ethnicity pay gap is calculated by listing all hourly rates of each ethnicity group and finding the central rate. The median rate is considered to be a better measure as it ‘discounts’ very high or very low rates which can skew the figures.
- 3.23 A positive pay gap indicated those in the white group are paid more than those in the ethnic minority group. A negative pay gap indicates that white staff are paid more than ethnic minorities.
- 3.24 Our findings have identified overall the mean ethnicity pay gap is -11.12% (i.e. those in ethnic minorities group are paid slightly more than those in the white group and the median is -5.61% (i.e. ethnic minority staff are paid slightly more than white staff).
- 3.25 In simple terms for each £1 earned by white staff, at RBFRS, ethnic minorities earn:

	<b>Mean</b>	<b>Median</b>
	£1.11	£1.05

- 3.26 The Ethnicity Pay Gap figures should also be considered in the context of the workforce demographic. While RBFRS is below the national average, and we are confident that we are paying staff the same salary for roles of equivalent value, the gap has largely been created by the recruitment of 36 Firefighter Apprentice roles in 2022/23, all of which were white. It is recognised that staff from ethnic minority groups are significantly underrepresented across the Service.
- 3.27 The mean and median pay gap for the four quartiles are shown below. Figures for 2022 have been included for comparison.

Quartile	Mean Pay Gap		Median Pay Gap	
	2022	2023	2022	2023
Lower	-5.57%	-6.86%	-2.25%	-11.43%
Lower Middle	1.27%	-0.82%	0.55%	-1.66%
Upper Middle	1.72%	2.91%	-0.66%	2.30%
Upper	4.87%	2.10%	2.57%	-2.25%

- 3.28 Due to the various elements which make up pay in the fire service including allowances, detachment payments and uniform allowances, the quartiles can be very fluid and therefore pay gaps in this area can appear to be different from the pay gap as a whole. The variance year on year can be explained by the movements of staff between quartiles.

- 3.29 The overall proportion of ethnic minority staff across each of the quartiles is broadly consistent, aside from the upper quartile that has highest proportion due to movement within the quartiles following recruitment activity. Whilst this could indicate there are no mobility or progression concerns relating to ethnic minority staff, it is acknowledged that culturally, barriers may exist which are not evident from these figures, and that staff in ethnic minority groups may experience challenges regarding their career progression which relate to biases or barriers which may exist within the organisation. RBFRS is taking action to identify any such trends and address this.
- 3.30 62.5% of staff from ethnic minority groups have over five years' service, meaning they are more likely to have achieved competent status (for staff conditioned to the NJC for Local Authority Fire and Rescue Services (Grey Book)) or reached the top of their pay spine (staff conditioned to the NJC for Local Government Services (Green Book)) which will contribute to the negative pay gap found in the majority of quartiles and overall.
- 3.31 Despite the figures showing a negative pay gap, it is recognised that staff from ethnic minority groups are significantly underrepresented across the Service, and RBFRS commits to working hard to attract a more diverse workforce and has taken action to address the overall diversity within RBFRS. Examples of this can be found in the Ethnicity Pay Gap report.

#### **4. CONTRIBUTION TO STRATEGIC COMMITMENTS**

- 4.1 Commitment 5 – We will ensure that RBFRS provides good value for money.

#### **5. FINANCIAL IMPLICATIONS**

- 5.1 There are no direct financial implications arising from this report.

#### **6. LEGAL IMPLICATIONS**

- 6.1 RBFRS is required to publish its gender pay gap figures for 2023 before 31 March 2024. A failure to comply with the Public Sector Equality Duty or the specific duties can be investigated and enforced by the Equality and Human Rights Commission or alternatively challenged by way of judicial review.

#### **7. EQUALITY DIVERSITY AND INCUSION IMPLICATIONS**

- 7.1 The report identifies that a gender pay gap does exist in RBFRS, reflecting that overall females are paid more than males on average. This can be attributed to the different terms and conditions and where the hourly rates of males and females fall within each quartile. The Gender Pay Gap Report (Appendix A), Ethnicity Pay Gap Report (Appendix B) and the EDI Action Plan (Appendix C) outlines the measures being taken to tackle this issue across the Service.

## **8. RISK IMPLICATIONS**

- 8.1 Failure to publish gender pay information annually before 31 March each year would be a breach of the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.
- 8.2 There are currently no requirements to publish Ethnicity Pay Gap information, however this will be published on the RBFRS website along with the Gender Pay Gap information.
- 8.3 An equal pay audit was completed based on data as at March 2022 and did not highlight any issues of pay inequality at RBFRS. This report was presented to the Audit and Governance Committee meeting on 23 January 2023. The next equal pay audit will take place in Q1 of 2024.

## **9. CONSISTENCY WITH DUTY TO COLLABORATE**

- 9.1 N/A.

## **10. PRINCIPAL CONSULTATION**

- 10.1 Monitoring Officer
- 10.2 Head of Finance and Procurement
- 10.3 Chief Fire Officer

## **11. BACKGROUND PAPERS**

Not included on the report but available on request:

- 11.1 The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017
- 11.3 RBFRS Equality Diversity and Inclusion Action Plan
- 11.4 Managing Gender Pay Reporting Guidance (issued by ACAS in conjunction with the Government Equalities Office) February 2019
- 11.5 Equal Pay Audit reported to Audit and Governance Committee 23 January 2023.

## **12. APPENDICES**

- 12.1 Appendix A – RBFRS Gender Pay Gap Report 2023
- 12.2 Appendix B – RBFRS Ethnicity Pay Gap Report 2023
- 12.3 Appendix C - EDI Action Plan

## **13. CONTACT DETAILS**

- 13.1 Lucy Greenway, Senior HR Adviser, 07585 991 606