



GENDER PAY GAP REPORT 2017



Background

In 2017, new regulations were introduced under the Equality Act 2010. The Equality Act 2010 (Gender Pay Gap Information) Regulations ('the Regulations') require all public sector organisations and UK companies with 250 or more employees to calculate and publish information about the gender pay gap in their organisation.

The gender pay gap shows the difference between the average earnings of men and women as at **31 March 2017**.

As a concept, the gender pay gap is different from 'equal pay' which deals with any pay differences between men and women who carry out the same or similar jobs, or jobs of equal value. In previous years, CFRS has reported on equal pay among support staff and separately among operational staff. CFRS is satisfied that it pays equal pay for men and women in each role.

Calculating, analysing and reporting on the gender pay gap can provide a valuable measure of equality in the workplace. It can highlight any difference in men's and women's participation in work of different types and levels and how effectively talent is being maximised.

The Regulations require CFRS to include all employees and to calculate a number of gender pay gap measures with reference to all staff.

Cheshire Fire Authority's Annual Pay Policy Statement is reviewed and updated annually and published on its website. Its purpose is to provide transparency to the pay and recognition policy adopted by Cheshire Fire Authority. The pay policy statement sets out a number of commitments, explicitly providing that Cheshire Fire Authority is committed to: *'Ensuring that pay and staffing decisions are in line with the Service's duties and legal obligations under all relevant employment legislation including the Equality Act 2010.'* Calculating and addressing the gender pay gap will help CFRS to meet this commitment.



Why might a pay gap exist and what is the national gender pay gap?

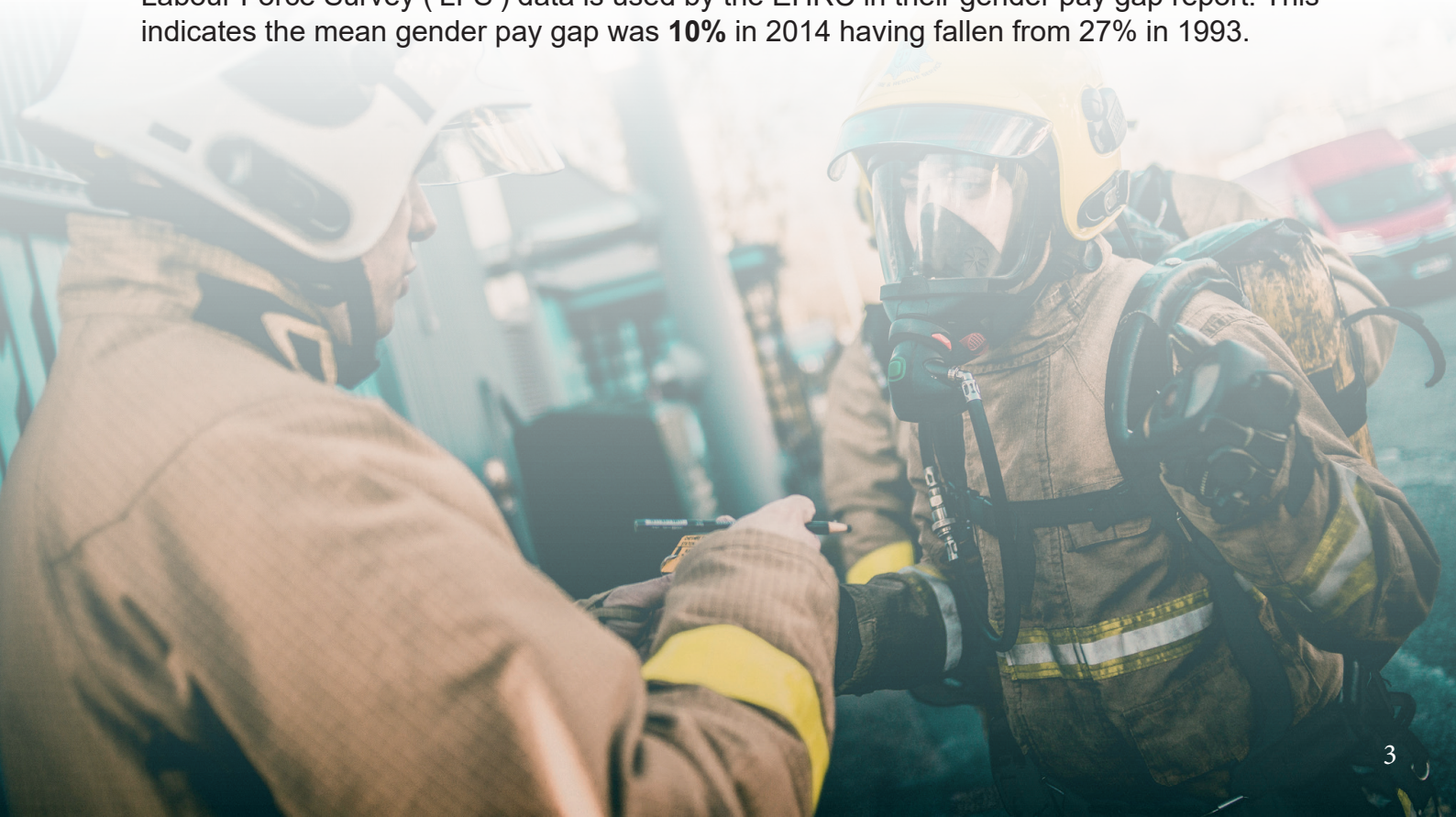
Factors contributing to the gender pay gap are complex. Social pressures and norms influence gender roles and often shape the types of occupations and career paths which men and women follow, and therefore their level of pay. Women are also more likely than men to work part-time and to take time out from their careers for family reasons which may affect their progression to higher paid posts.

According to the Equality and Human Rights Commission ('EHRC'), some factors contributing to the gender pay gap include:

- Occupational segregation. Fewer women go into STEM (science, technology, engineering and maths) professions which tend to be higher paid.
- More women than men work in caring professions (carers; teaching assistants; health care) which are relatively poorly paid.
- Lack of well-paid, part-time or flexible work.
- Lack of senior female role models in some organisations may mean women are less likely to progress to senior levels – even though they may want to.
- Unconscious bias and discrimination – including assumptions about mothers not wanting or aspiring to promotion etc.

The Annual Survey of Household Earnings (ASHE) provides the most recent analysis of **median** gender pay gap. For all occupations and taking full-time and part-time employees together, the **median** gender pay gap was **18.1%** in 2016.

Labour Force Survey ('LFS') data is used by the EHRC in their gender pay gap report. This indicates the mean gender pay gap was **10%** in 2014 having fallen from 27% in 1993.



Information

Required calculations

The Regulations provide detailed definitions of the following: which employees should be included in the calculation of the gender pay gap; the meaning of ordinary pay; the meaning of allowances and bonuses; the meaning of “hourly” rate of pay; and how to calculate employees’ weekly working hours.

Local Government Association guidance has also provided examples of how this might be interpreted in cases where no regular weekly hours are worked (as is the case for on-call firefighters). The nature of on-call firefighters work and the way they are remunerated (annual retainer fee proportionate to the amount of availability they give; hourly rate for responding to incidents; disturbance allowance etc.) means it has been difficult this year to calculate precisely the hourly rate of pay for on-call staff. To best account for on-call pay, CFRS has manually calculated the hours worked by each on-call member of staff during the reference period of 6 January 2017 – 31 March 2017 and then used this to approximate their hourly rate of pay as at 31 March 2017. Where on-call members of staff were absent (for whatever reason) for any week during the reference period, data for earlier weeks has been used instead. CFRS believes this provides the best representation of how on-call pay impacts on the gender pay gap.

The following calculations are required by the regulations and explained below. They are all expressed in percentages.

- **Mean Gender Pay Gap** – this is the difference between the mean hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees (regulation 8). The mean average is calculated in the normal way.
- **Median Gender Pay Gap** – the difference between the median hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees (regulation 9). The median average is calculated in the normal way.
- **Mean Bonus Gender Pay Gap** – The difference between the mean bonus pay paid to male relevant employees and that paid to female relevant employees (regulation 10). For the avoidance of doubt, CFRS has included the following in bonus calculations: CPD payments; recognition payments; and payments made to on-call staff for high levels of productivity.
- **Median Bonus Gender Pay Gap** – The difference between the median bonus pay paid to male relevant employees and that paid to female relevant employees (regulation 11).
- **Proportion of male and female employees receiving bonus pay** – proportions are expressed as a percentage and calculated in the normal way (regulation 12).
- **Proportion of male and female employees according to quartile pay bands** – the proportions of male and female full-pay relevant employees in the lower, lower middle, upper middle and upper quartile pay bands (regulation 13).

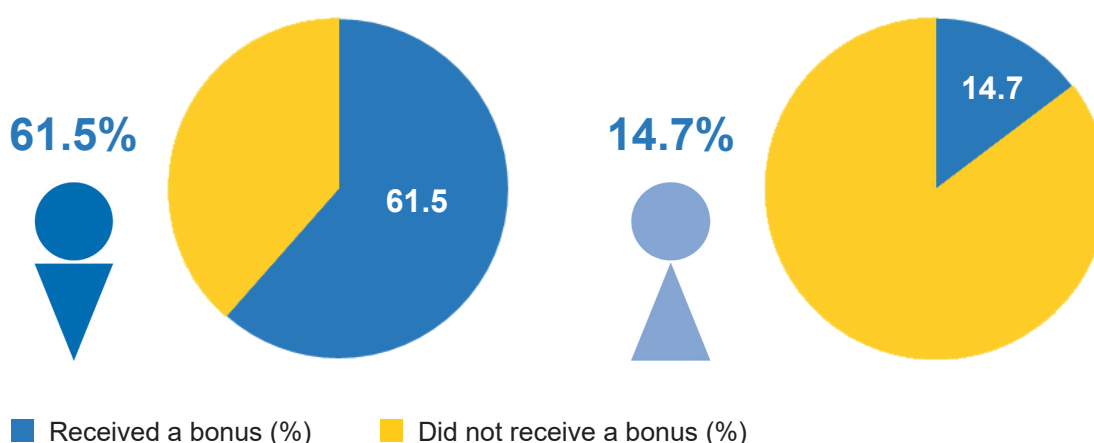
Cheshire Fire and Rescue Service's Gender Pay Gap

Based on a snapshot of data available as at 31 March 2017 in relation to earnings of all staff, Cheshire Fire and Rescue Service's calculations for the purposes of gender pay gap reporting are as follows.

Mean, median, pay and bonuses

Difference between men and women		
	Mean	Median
Hourly rate of pay	25.5%	18.9%
Bonus pay	-31.8%	0.0%

Proportion of male/female employees who received bonus pay



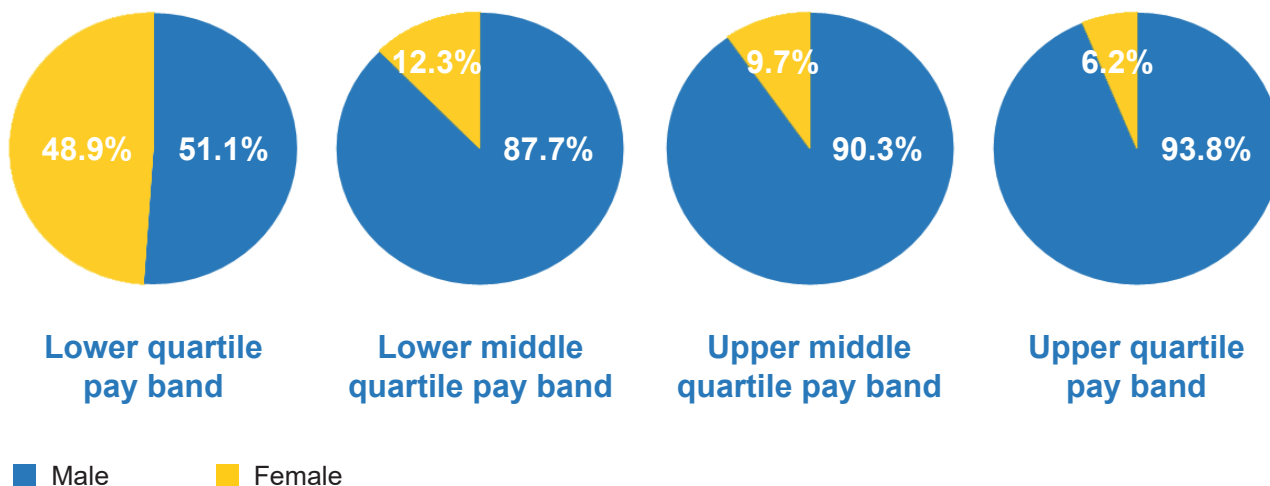
A positive number indicates that the pay gap is in favour of men, whereas a negative figure indicates that the gap is in favour of women.

The median gender pay gap is broadly similar to the national median figure for all occupations and employees (18.1%). However, the mean gender pay gap is 2.5 times higher than the 10% indicated by the LFS. Reasons for this are explored further below.

For interest only, excluding on-call members of staff from the gender pay gap calculations would reduce the mean gap to approximately 20%. However, this still remains higher than the national average.

The reasons for the pay gap in relation to bonuses is also explored further on page 6.

Quartile pay bands



Nineteen per cent of CFRS' workforce (including operational and support staff) are women. As such, there would seem to be a disproportionately high distribution of women in the lower quartile pay band and a low proportion in the upper quartile. Reasons for this are explored further below.

Possible reasons for the gender pay gap in Cheshire Fire and Rescue Service

The generic, societal reasons for the gender pay gap have been referred to above. What follows is an analysis of factors bespoke to CFRS, which might explain the gender pay gap.

- **Disproportionality in the workforce**

The over-representation of men in the Fire and Rescue sector as a whole is well documented. Currently, 81% of CFRS' staff overall are men, rising to 94% when considering operational staff exclusively. As such, the lack of gender diversity goes some way to explaining the gender pay gap. With more men in the workforce, it is likely that differences in pay are exacerbated. In addition, with fewer women in the Service, there is a smaller pool from which to promote to higher paid roles, partly explaining the low proportion of women in higher paid quartiles. How CFRS is addressing this will be discussed further below.

- **Bonus Payments**

As can be seen from the mean bonus pay, female members of staff as a collective group receive a larger bonus payment than their male comparators. This can largely be explained by a greater number of women receiving recognition payments for their work, which tend to be the largest bonus payments. By contrast, a greater proportion of men than women receive bonus payments. This is most likely due to CPD payments being paid to operational staff, the majority of whom are men.

- **Different conditions of service**

The majority of CFRS' female staff are support staff and as such are employed under Green Book terms and conditions. The majority of its male staff by contrast are operational and are therefore employed under the Grey Book. Pay and allowances differ under each set of terms of conditions, which might further explain the gender pay gap. In particular, this can account for the higher proportion of men receiving bonus payments than women; CPD payments are paid only to Grey Book staff, the majority of whom are men.

For the avoidance of doubt, the difference in terms and conditions of employment is not based on gender but instead is due to the different roles carried out by staff.

- **Bluelight Collaboration**

As a result of Bluelight collaboration and the transfer of the majority of CFRS' support staff to Cheshire Constabulary, the number of females employed by CFRS is reducing, thereby further exacerbating the gender pay gap. The majority of such transfers have taken place in 2017/18; therefore, although this may not have significantly impacted upon the calculations in this report, it most likely will have an impact in future years.

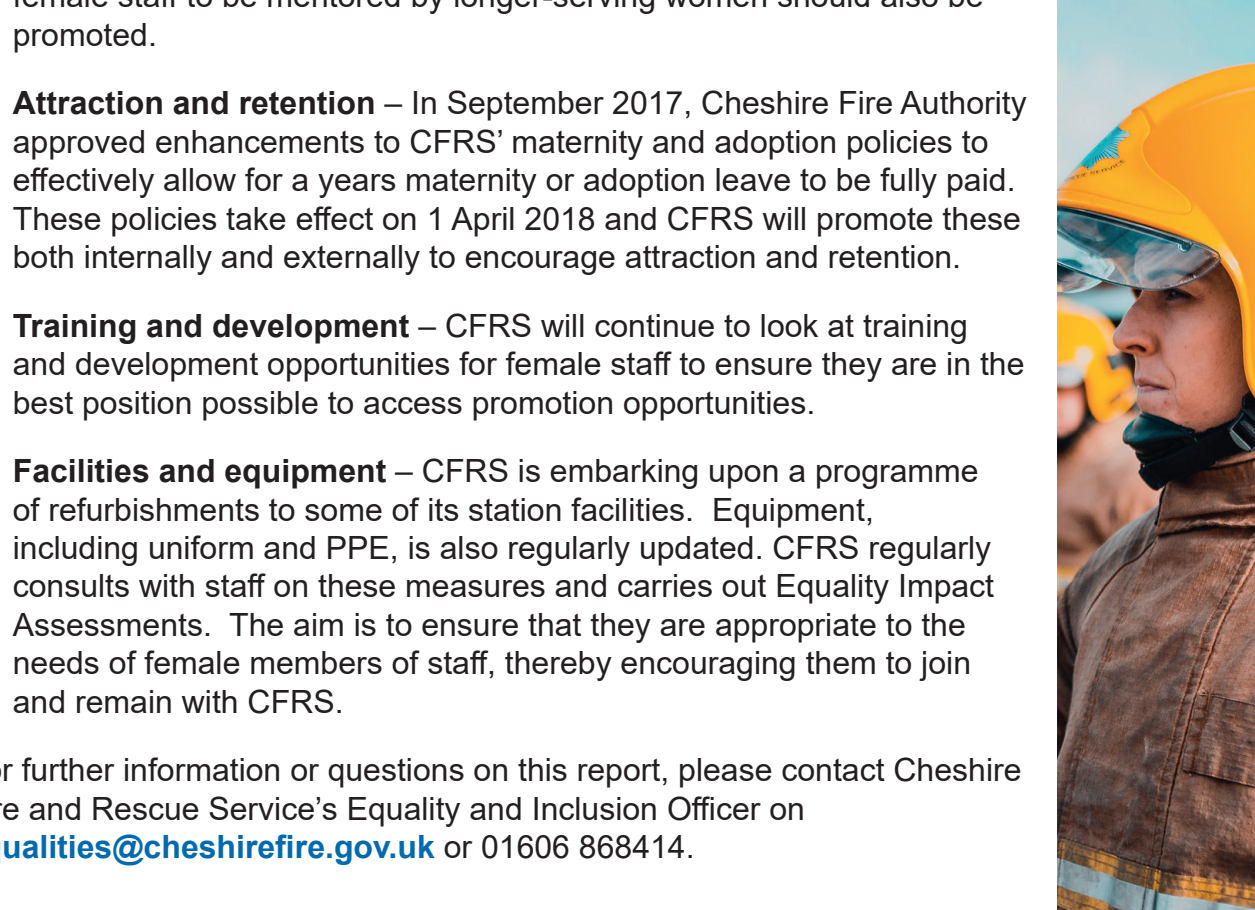





Actions

As this is the first year a gender pay gap has been reported, the most important point is how CFRS addresses the gap. As such, the Service is committed to a programme of work as follows. It should be emphasised that the majority of this work was already taking place irrespective of the findings of this report:

- **Positive action in recruitment** – CFRS' work in recent years to increase the number of female, BAME and LGBT applicants to operational posts is well documented and reported. Positive action campaigns are ongoing in 2018 and a positive action working group has been established in order to ensure oversight. Campaigns focussing on women will include: development of pre and post application fitness programmes; working with community groups, in particular female only sports teams; attending women only events, such as Race for Life; and targeted social media campaigns.
- **Onboarding support** – CFRS recognises that not only is it important to recruit more women, but that they need to be supported and included on joining. As such, CFRS launched its women's network, Limitless, in 2017, and is committed to developing this network so that it can effectively support female employees. The opportunity for new female staff to be mentored by longer-serving women should also be promoted.
- **Attraction and retention** – In September 2017, Cheshire Fire Authority approved enhancements to CFRS' maternity and adoption policies to effectively allow for a years maternity or adoption leave to be fully paid. These policies take effect on 1 April 2018 and CFRS will promote these both internally and externally to encourage attraction and retention.
- **Training and development** – CFRS will continue to look at training and development opportunities for female staff to ensure they are in the best position possible to access promotion opportunities.
- **Facilities and equipment** – CFRS is embarking upon a programme of refurbishments to some of its station facilities. Equipment, including uniform and PPE, is also regularly updated. CFRS regularly consults with staff on these measures and carries out Equality Impact Assessments. The aim is to ensure that they are appropriate to the needs of female members of staff, thereby encouraging them to join and remain with CFRS.



For further information or questions on this report, please contact Cheshire Fire and Rescue Service's Equality and Inclusion Officer on equalities@cheshirefire.gov.uk or 01606 868414.