

Report title

# Gender and Ethnicity Pay Gap Reporting 2020

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Commissioner's Board	09 September 2020
Report by	Report number
Interim Assistant Director, People Services	[]
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#### Summary

This report and appendices present LFB's gender and ethnicity pay gap data as of March 2020, and outlines progress so far in tackling any pay gaps which currently exist in the Brigade.

## Recommended decision(s)

That the Commissioner's Board note this report.

## **Background**

- 1. The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 provides the requirement that relevant public bodies (employing 250 people or more) must publish information on the following:
  - a. The difference between the mean hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees;
  - b. The difference between the median hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees;
  - c. Information on the difference in mean and median bonus pay;
  - d. The proportions of male and female full-pay relevant employees in the lower, lower middle, upper middle and upper quartile pay bands.
- 2. On 24 March 2020, the Equality and Human Rights Commission announced it would suspend enforcement action for organisations who do not report their gender pay gaps (in line with statutory requirements) for the previous year.
- 3. LFB has reported its gender pay gap despite the suspension, and will also continue to go above and beyond its statutory reporting duties by reporting to the Greater London Authority (GLA) group its ethnicity pay gap, and publishes both reports on its website. The brigade's new inclusion strategy, the 'Togetherness' Strategy, also commits to publishing a disability pay gap report for 2021.

4. With effect from 1 April 2018, the individual holding the office of London Fire Commissioner (LFC) is appointed by the Mayor of London and is not an employee of the LFC. However, in the interests of transparency, the LFC, the Commissioner's pay has been taken into account for the purposes of this report.

## Gender Pay Gap Report

- 5. Overall, the London Fire Brigade continues to have pay differentials in favour of women for median and mean pay rates. This pay gap reverses when the data is broken down into part time rates, where there are pay differentials in favour of men, and across different staff groups (operational and non-operational). The appendix to this report sets out the data in full, and the actions LFB are undertaking to tackle the gender pay gap where it exists.
- 6. The reason the data shows pay gaps in favour of women is that mean hourly pay is lowest in the operational group which is predominantly male, and men therefore represent the bulk of the lower-ranked workforce.
- 7. There is an overall **median** hourly pay gap **in favour of women of -2.69%**, which is a very small reduction in the gap reported in 2018/19 of -2.84%.
- 8. There is an overall **mean** hourly pay gap **in favour of women of -8.08%**, which is a very small reduction in the gap reported in 2018/19 of -8.44%.
- 9. However, there are differences when broken down into full and part time median hourly pay. There is a pay gap in favour of women for median hourly full time pay of -12.53%, which is an increase in gap from the 2018-19 report, where there was a gap of -1.48% in favour of women.
- 10. There is a pay gap in favour of men for median hourly part time pay of 9.45%, which is an increase from the 2018-19 where there was no gender pay gap reported.
- 11. Using mean hourly pay, the gender pay gaps are different again, when reporting on the full and part time mean hourly pay rates. For full time staff, there is a gap in favour of women of -7.84%, an small decrease in gap from the 2018-19 report where there was a gap of -9.12%.
- 12. For part time staff, there is a gap in favour of men of 3.53%, which represents a decrease in gap from 10.40% reported in the 2018-19 report.

## **Ethnicity Pay Gap Report**

- 13. Overall, the London Fire Brigade does not have a median pay gap in favour of either white staff or Black, Asian and staff from minority ethnic (BAME) backgrounds. There is a very small overall mean pay gap in favour of white staff, and there are considerable gaps when the data is broken down into full and part time hourly pay. There are also gaps in place when ethnicity is analysed individually, for Black, Asian and other minority ethnic groups respectively. The appendix to this report sets out the data in full, and the actions LFB are undertaking to tackle the ethnicity pay gap where it exists.
- 14. There is **no** overall **median** hourly pay gap in favour of either white or BAME staff, which is no change from the 2018/19 report.

- 15. There is an overall **mean** hourly pay gap **in favour of white staff** of **1.62%**, which is a minute increase in the gap reported in 2018/19 of 1.51%.
- 16. However, there is a very small difference when broken down into full and part time median hourly pay. There is a small pay gap in favour of white staff for median hourly part time pay of 0.36%, which although negligible, is an increase in gap from the 2018-19 report, where there was no gap reported for either full or part time pay.
- 17. Using mean hourly pay, the ethnicity pay gaps are different when reporting on the full and part time mean hourly pay rates. For full time staff, there is a small gap in favour of white staff of 1.45%, a very small increase in gap from the 2018-19 report where there was a gap of 1.23%.
- 18. For part time staff, there is a gap in favour of white staff of 10.75%, which represents a decrease in gap from 13.14% reported in the 2018-19 report.

## **Togetherness Strategy**

- 19. The main improvement since the previous pay gap reports is the launch and implementation of the Togetherness Strategy, a brigade-wide inclusion strategy which underpins the Transformation Delivery Plan. This strategy sets out a significant number of objectives and an ambitious programme of work to achieve, amongst other outcomes, the reduction of both gender and ethnicity pay gaps where they exist.
- 20. Full detail of the relevant objectives and actions are in the Appendices to this report.

#### **Finance comments**

21. The Chief Finance Officer has reviewed this report and has no comments.

### Workforce comments

22. The subject matter of this report is the workforce, specifically gender and ethnicity pay gaps. The recognised trade unions have been provided with a draft version of the report, and a number of questions and comments have been received from the FBU, mostly seeking more information on a small number of the gender and ethnicity pay gaps identified in the report. These questions and comments were responded to by the Inclusion Team on Tuesday 25 August with no further comments received. The trade unions will continue to be involved in the development and delivery of action plans in respect of gender and ethnicity pay gaps.

#### Legal comments

- 23. Under section 9 of the Policing and Crime Act 2017, the London Fire Commissioner (the "LFC") is established as a corporation sole with the Mayor appointing the occupant of that office. Under section 327D of the GLA Act 1999, as amended by the Policing and Crime Act 2017, the Mayor may issue to the Commissioner specific or general directions as to the manner in which the holder of that office is to exercise his or her functions.
- 24. The LFC is a 'relevant public authority' for the purposes of the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 (schedule 2 to the Regulations). Regulation 3 and Schedule 1 of the 2017 Regulations set out the obligations on public authorities to publish gender

- pay gap information relating to employees. Schedule 1 details the type of information to be published.
- 25. There is no statutory obligation to publish ethnicity pay gap information, but this is good practice, particularly in demonstrating how the LFC meets the Public Sector Equality Duty to advance equality of opportunity. The Commissioner may collate and publish this information towards that end under the general powers contained in section 5A Fire and Rescue Services Act 2004 (FRSA 2004) which empower the London Fire Commissioner to do 'anything it considers appropriate for the purposes of the carrying out of any of it's functions...'.

# Sustainability implications

26. Although there are no direct sustainability implications arising from this report, the implementation of the Togetherness Strategy aligns with the aims in the LFB's strategies and plans on responsible procurement and sustainability, and we will continue to consult with the Sustainability Team on relevant areas within the Action Plan.

## **Equalities implications**

- 27. The London Fire Commissioner and decision takers are required to have due regard to the Public Sector Equality Duty (s149 of the Equality Act 2010) when exercising our functions and taking decisions.
- 28. It is important to note that consideration of the Public Sector Equality Duty is not a one-off task. The duty must be fulfilled before taking a decision, at the time of taking a decision, and after the decision has been taken.
- 29. The protected characteristics are: Age, Disability, Gender reassignment, Pregnancy and maternity, Marriage and civil partnership (but only in respect of the requirements to have due regard to the need to eliminate discrimination), Race (ethnic or national origins, colour or nationality), Religion or belief (including lack of belief), Sex, and Sexual orientation.
- 30. The Public Sector Equality Duty requires us, in the exercise of all LFC functions (i.e. everything the LFC does), to have due regard to the need to:
  - (a) Eliminate discrimination, harassment and victimisation and other prohibited conduct.
  - (b) Advance equality of opportunity between people who share a relevant protected characteristic and persons who do not share it.
  - (c) <u>Foster good relations</u> between people who share a relevant protected characteristic and persons who do not share it.
- 31. Having due regard to the need to <u>advance equality of opportunity</u> between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
  - (a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic where those disadvantages are connected to that characteristic;

- (b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
- (c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
- 32. The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities
- 33. Having due regard to the need to <u>foster good relations</u> between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to—
  - (a) tackle prejudice, and
  - (b) promote understanding.
- 34. The aims of this rep ort and the proposed options directly positively impact on the LFB's ability to meet its duties under the PSED and Equality Act 2010.

## **List of Appendices**

Appendix	Title	Protective Marking
1.	Gender Pay Gap Report and Action Plan	None
2.	Ethnicity Pay Gap Report and Action Plan	None

## Consultation

Name/role	Method consulted
Equality Manager	Report Author
Interim Assistant Director, People Services	Email
Culture Change Team – prior comment	Email
Outreach Team	Email
Head of Recruitment	Email
HR Data Team	Email / MSTeams

#### **APPENDIX 1: GENDER PAY GAP REPORT**

#### LONDON FIRE BRIGADE GENDER PAY GAP REPORT AND ACTION PLAN 2020

#### **Introductory Summary**

Overall, the London Fire Brigade continues to have pay differentials in favour of women for median and mean pay rates. This pay gap reverses when the data is broken down into part time rates, where there are pay differentials in favour of men, and across different staff groups (operational and non-operational). The following report sets out the data in full, and the actions LFB are undertaking to tackle the gender pay gap where it exists.

#### What is the mean and the median?

The mean measures the average pay for a woman against the average for a man.

The median compares the 'middle' pay for a woman with the 'middle' pay for a man when all values are distributed from low to high. The median is less affected by outliers than the mean. We report on both median and mean data in this report.

## What is the difference between equal pay and gender pay gap?

Equal pay measures whether men and women are paid the same for performing work of equal value. Upholding equal pay is a legal requirement and we have robust processes in place to ensure we pay our people fairly, including job evaluation and a standardised approach to job grading and reward.

The gender pay gap is different. It measures the difference between the average pay for all men and women across the Brigade, regardless of their role or seniority. There is a gender pay gap in most organisations which has led to an average gender pay gap of 11.9% in the UK.

## Summary of LFB Gender Pay Gap(s)

# Median Hourly Pay: All Staff



What this means: LFB has a median pay gap of -2.69% in favour of women.

# Mean Hourly Pay: All Staff



What this means: LFB has a mean pay gap of -8.08% in favour of women.

## A note on staff groups, full and part time pay gaps

The reason the data shows pay gaps in favour of women is that mean hourly pay is lowest in the operational group which is predominantly male, and men therefore represent the bulk of the lower-ranked workforce.

On average, a UK company has a gender pay gap in favour of men of approximately 11.9%. Although the overall LFB pay gap therefore appears small, and in favour of women, there are significant differences in pay gaps when the data is broken down across different staff groups, and when broken down by full and part time staff. Two areas are highlighted below, and the report includes full details of all gaps, including some significant hourly pay gaps in favour of men.

# Largest Pay Gap:

# Median Part Time Hourly Pay: Control Staff Group



What this means: LFB has a median pay gap for part time Control staff of 21.66% in favour of men.

The Control staff group is small (109 in total) and represents just 2% of the LFB workforce, so the data can be skewed by individual employees.

# **Smallest Pay Gap:**

Median Full Time Hourly Pay: Operational Staff Group



What this means: LFB has **no** median pay gap for full time operational staff.

#### **COVID-19 Context**

On 24 March 2020, the Equality and Human Rights Commission announced it would suspend enforcement action for organisations who do not report their gender pay gaps (in line with statutory requirements) for the 2018-19 year.

LFB has reported its gender pay gap despite the suspension, and will also continue to go above and beyond its statutory reporting duties by reporting to the Greater London Authority (GLA) group its ethnicity pay gap, and publishes both reports on its website. The brigade's new inclusion strategy, the 'Togetherness' Strategy, also commits to publishing a disability pay gap report for 2021.

### What about non-binary staff?

We recognise that some people may have a gender identity which is gender fluid, or non-binary, and we are working with Stonewall (the national LGBT charity) to ensure our processes and policies do not discriminate against transgender or non-binary people. We acknowledge the nature of the gender pay gap report is to report against men and women, and recognise that this limits the understanding of pay gaps in relation to some transgender people.

# Full Pay Gap Analysis

1. The London Fire Brigade (LFB) has published its gender pay gap information as at the 31 March 2020.

		Me	dian Hourly P	ay	
All staff	Female	Male		Pay Gap	
	Hourly Rate	No	Hourly Rate	No	
	£17.80	888	£17.33	4801	-2.69%

	Mean Hourly Pay				
All staff	Female		Male		Pay Gap
	Hourly Rate	No	Hourly Rate	No	
	£19.84	888	£18.36	4801	-8.08%

#### **Full and Part Time Breakdown**

2. At 31 March 2020, 14.67% of full time staff at LFB are women, and 57.59% of part time staff are women.

ALL STAFF: Full and Part Time Breakdown	Median Hourly Pay Rate (Full Time)	Median Hourly Pay Rate (Part Time)	Mean Hourly Pay Rate (Full Time)	Mean Hourly Pay Rate (Part Time)
Female	£19.50	£20.22	£19.76	£20.65
Male	£17.33	£22.33	£18.32	£21.41
Pay Gap	-12.53%	9.45%	-7.84%	3.53%

- 3. The data has also been broken down by the three main occupational groups within the LFB:
  - a) Operational: These are firefighters and operational managers. They make up 83% of the workforce. Their terms and conditions are negotiated nationally, and salaries are determined in accordance with role, with no reference to gender or any other personal characteristic.

Operational	Median Hourly Pay Rate (Full Time)	Median Hourly Pay Rate (Part Time)	Mean Hourly Pay Rate (Full Time)	Mean Hourly Pay Rate (Part Time)
Female	£17.33	£17.33	£17.08	£17.74
Male	£17.33	£17.33	£17.86	£17.47
Pay Gap	0.00%	-0.01%	4.38%	-1.55%

b) FRS (Fire and Rescue staff): These are non-uniformed support staff. They make up 15% of the workforce. Their terms and conditions are negotiated locally, and salaries are determined

through a job evaluation system (Gauge), with no reference to gender or any other personal characteristic.

	Median Hourly Pay Rate	Median Hourly Pay Rate	Mean Hourly Pay Rate	Mean Hourly Pay Rate
FRS	(Full Time)	(Part Time)	(Full Time)	(Part Time)
Female	£20.60	£19.84	£22.30	£21.24
Male	£21.63	£22.33	£23.36	£23.62
Pay Gap	4.79%	11.16%	4.54%	10.07%

c) Control: These are 999 call handlers and their managers. They make up 2% of the workforce. Their terms and conditions are negotiated locally, and salaries are determined in accordance with role, with no reference to gender or any other personal characteristic.

Control	Median Hourly Pay Rate (Full Time)	Median Hourly Pay Rate (Part Time)	Mean Hourly Pay Rate (Full Time)	Mean Hourly Pay Rate (Part Time)
Female	£19.00	£20.36	£19.38	£21.14
Male	£18.59	£25.98	£19.76	£25.98
Pay Gap	-2.23%	21.66%	1.92%	18.66%

# **Findings**

There is an overall **median** hourly pay gap **in favour of women of -2.69%**, which is a very small reduction in the gap reported in 2018/19 of -2.84%.

There is an overall **mean** hourly pay gap **in favour of women of -8.08%**, which is a very small reduction in the gap reported in 2018/19 of -8.44%.

# Median hourly pay

#### All Staff

- 1. As detailed above, for median hourly pay for all staff, there is a small pay gap in favour of women of -2.69%, However, there are differences when broken down into full and part time median hourly pay.
- 2. There is a pay gap in favour of women for median hourly full time pay of -12.53%, which is an increase in gap from the 2018-19 report, where there was a gap of -1.48% in favour of women.
- 3. There is a pay gap in favour of men for median hourly part time pay of 9.45%, which is an increase from the 2018-19 where there was no gender pay gap reported.

## **Operational Staff**

4. In the operational group, 70% of staff are in the firefighter role, and so firefighter pay is the median hourly pay both for men and women for operational staff. There is no gender pay gap in this group for either full or part time hourly pay, this has not changed from the 2018-19 report.

#### **FRS Staff**

- 5. There is a gender pay gap in median full time hourly pay in favour of men of 4.79%. This is a decrease in gap from the 2018-19 report, where there was a gap in favour of men of 7.79%.
- 6. There is a gender pay gap in median part time hourly pay in favour of men of 11.16%. This is an increase from the 2018-19 report, where there was a gap in favour of men of 6.04%.

#### **Control Staff**

- 7. Amongst Control staff there are differences in pay gaps when reporting on full time and part time median hourly pay. There is a pay gap in median hourly full time pay in favour of women of 2.23%, which is a very small increase of gap from -1.23% reported in the 2018-19 report.
- 8. There is a pay gap in the median hourly part time rate in favour of men of 21.66%, this is a significant increase in pay gap, which in the 2018-19 report was -1.21% in favour of women.
- 9. The Control staff group is small (109 in total) and represents just 2% of the LFB workforce, so the data can be skewed by individual employees.

## Mean hourly pay

#### All Staff

10. Using mean hourly pay, the gender pay gaps are different when reporting on the full and part time mean hourly pay rates. For full time staff, there is a gap in favour of women of -7.84%, a small decrease in gap from the 2018-19 report where there was a gap of -9.12%. The reason for the gap in favour of women is that mean hourly pay is lowest in the operational group which is predominantly male, and men therefore represent the bulk of the lower-ranked workforce.

11. For part time staff, there is a gap in favour of men of 3.53%, which represents a decrease in gap from 10.40% reported in the 2018-19 report.

## **Operational Staff**

- 12. Again, there are differences in pay gaps when looking at part time and full time mean hourly pay rates. For full time operational staff, there is a pay gap in favour of men of 4.38%, an increase in gap from the 2018-19 gap of 1.5%.
- 13. For part time staff, there is a small pay gap in favour of women of -1.55%, a very small increase in gap from -0.82% reported in the 2018-19 report.

# **FRS Staff**

- 14. There are pay gaps in favour of men for both full time and part time mean hourly pay rates. For full time staff, there is a pay gap of 4.54%, a decrease from the 2018-19 report where a gap of 6.22% was reported.
- 15. For part time staff, there is a pay gap in favour of men of 10.07%, which is a decrease from the 2018-19 gap of 18.86%.

#### **Control Staff**

- 16. There are pay gaps in the Control staff group across both full and part time mean hourly rates. For full time staff there is a small pay gap in favour of men of 1.92%, a change from the 2018-19 report where a gap in favour of women was reported of -1.23%.
- 17. For part time staff, there is a pay gap in favour of men of 18.66%, a significant increase in gap from the 2018-19 pay gap report where the gap was -5.23% in favour of women.

#### Data transparency

- 18. The analysis of workforce, pay and promotions data, including detailed recruitment data, is important in understanding gender issues. Following recent governance changes in April 2018, data on diversity will be submitted to the London Fire Commissioner and this may be scrutinised by the Fire, Resilience and Emergency Planning Committee (FREP). London Assembly members have a continuing interest in the relative performance of GLA bodies on gender and pay, and have asked for this data to be published as part of the Mayor's annual report.
- 19. LFB publishes a quarterly corporate performance digest 'Our Performance' which includes detailed reporting on gender in relation to recruitment, promotion and retention. A six-monthly People Services Performance Report is also published, highlighting detailed information and data on workforce demographics.

## Tackling our pay gaps: context and actions

20. The key gender diversity issue for the LFB is to increase the representation of women in the operational workforce where women currently comprise just 8% of the staff group. A number of

initiatives are being developed to improve this, along with representation and cultural change in other areas.

## Transformation Delivery Plan

- 21. In January 2020, in response to the Phase 1 Grenfell Report recommendations and the HMICFRS inspection report, the new LFB Commissioner Andy Roe launched a Transformation Delivery Plan (TDP), setting out a new organisational vision, purpose, and three core behaviours.
- 22. The plan has two key enablers, one of which is diversity and inclusion, demonstrating a cultural shift and new direction to achieving diversity and inclusion across all areas of the organisation. The plan provides the structure and accountability for the new Togetherness Strategy (explained further below) and sets out key actions which will have a direct impact on the reduction of the gender pay gap.

## Inclusion and Togetherness

- 23. In 2019 LFB doubled the capacity of the Inclusion Team to four full time members of staff, with a revised remit to launch a new Inclusion Strategy to underpin the Transformation Delivery Plan. The new strategy, renamed the 'Togetherness Strategy', launched on 1 July 2020. It makes explicit commitment to taking action to increase representation of minority groups including women, and has dedicated accountability measures for overseeing both gender and ethnicity pay gaps.
- 24. The Togetherness Strategy is supported by a Togetherness Board of strategic senior leaders who are named accountable against the strategy actions, and a Representative Committee comprising staff Equality Support Groups (LFB's staff networks) and representative bodies, including the Women in the Fire Service network, the Menopause Action Group and the Fire Brigade Union's Women's Action Committee.

#### Talent and Performance

- 25. The Transformation Delivery Plan introduced three new core behaviours for LFB staff: compassion, togetherness and accountability. A new behavioural framework was launched cross-organisationally in 2020, and will underpin all operational and non-operational recruitment, promotion, development and performance management.
- 26. In addition, a talent management framework is being developed which incorporates the new behaviours, and which will be rolled out for all staff. It is currently being piloted with the Top Management Group and will be evaluated brigade wide at the end of 2021/early 2022.

## Leadership

27. The LFB Centre for Leadership was established in early 2019. In the past year, it has developed its role as an in-house delivery arm for leadership development. Their work has included the development and delivery of the LFB's new behavioural framework as well as a wide range of leadership development courses, focused predominantly around our three core behaviours of compassion, togetherness and accountability. Pilots have been delivered across all staff groups with approximately 600 participants engaging in their programmes and workshops. Throughout

- 2020/21 they are developing a new leadership pathway that will provide leadership development for all staff including supervisory, middle, and strategic leaders.
- 28. In addition, the Togetherness Strategy commits to a number of actions relating to leadership and development, including training on inclusive leadership and the delivery of targeted leadership development programmes for underrepresented groups of staff, including women. In 2019 this included participation in the GLA Our Time Programme, on which five women from LFB participated. Our Time is a sponsorship programme that addresses the systemic barriers women face in reaching senior positions. It pairs high potential women with senior management level champions who can open up the professional networks, opportunities and contacts that are crucial to helping people progress in their careers.

#### Outreach

29. The Outreach Team was established in September 2017 and engages with under-represented groups (women, LGBT and BAME communities) to promote the role of a modern day firefighter. In the last year, the team have delivered over 25 information days, attended by over 160 women, (continuing to deliver these using live video communications during COVID-19 lockdown), and as a result LFB has seen a significant increase in applications and successful appointment to the firefighter role by women.

Year	Number of women appointed
2017	24
2018	22
2019	47

30. In addition to career information days, the team support recruitment through attendance at targeted community-based activities such as career fairs, fitness events and cultural festivals across diverse boroughs of London. Women candidates are provided with support to meet the required standard for physical tests through one to one coaching, and the team work closely with local career and employment partners to encourage them to promote the role to their service users.

## Coaching and mentoring

- 31. In 2019 we launched a structured Coaching and Mentoring programme across the Brigade. This has created a network of staff, from all staff groups who assist with providing support to staff from all grades. The Coaching and Mentoring programme is now under review with the intention to create four streams; improve diversity; career progression coaching; performance coaching and supporting the Leadership interventions. The feasibility of extending the network across the GLA, TfL and MOPAC is in discussion.
- 32. Reverse mentoring has been shown to be specifically effective in improving the diversity of the organisation and will be an additional offering from the Coaching and Mentoring Network. Focus groups are being held with women and members of the BAME group across the Brigade to explore the most effective way of introducing and embedding Coaching, Mentoring and Reverse Mentoring.

## Conclusion

33. There are significant actions being undertaken to tackle the varying gender pay gaps across the Brigade. The Togetherness Strategy and accompanying governance processes are a significant change since the 2018/19 pay gap report was published, and LFB expects to continue to close the pay gaps where they arise through the goals and objectives outlined in this strategy.

#### **APPENDIX 2: ETHNICITY PAY GAP REPORT**

#### LONDON FIRE BRIGADE ETHNICITY PAY GAP ACTION PLAN

## **Introductory Summary**

Overall, the London Fire Brigade does not have a median pay gap in favour of either white staff or Black, Asian and staff from minority ethnic (BAME) backgrounds. There is a very small overall mean pay gap in favour of white staff, and there are considerable gaps when the data is broken down into full and part time hourly pay. There are also gaps in place when ethnicity is analysed individually, for Black, Asian and other minority ethnic groups respectively. The following report sets out the data in full, and the actions LFB are undertaking to tackle the ethnicity pay gap where it exists.

#### What is the mean and the median?

The mean measures the average pay for someone who identifies as Black, Asian or another ethnic minority background (referred to in this report as 'BAME' when a combined group) to someone who is white

The median compares the 'middle' pay for a BAME employee with the 'middle' pay for a white employee when all values are distributed from low to high. The median is less affected by outliers than the mean. We report on both median and mean data in this report.

## What is the difference between equal pay and ethnicity pay gap?

Equal pay measures whether BAME and white staff are paid the same for performing work of equal value. We have robust processes in place to ensure we pay our people fairly, including job evaluation and a standardised approach to job grading and reward.

The ethnicity pay gap is different. It measures the difference between the average pay for all BAME and white staff across the Brigade, regardless of their role or seniority.

It is not currently a legal requirement in the UK to report on ethnicity pay gaps (unlike gender pay gap reporting, which is a legal requirement for organisations with over 250 employees).

## A note on 'BAME'

There are many different ways to refer to people from an ethnic minority background, and a significant number of acronyms used across different sectors. The commonly used term is 'BAME', which stands for 'Black, Asian and minority ethnic'. This can be seen as unrepresentative of some white ethnic minorities such as Gypsy, Roman and Traveller of Irish Heritage groups, and also means that the (often very different) experiences of different groups are combined into one homogenous acronym.

LFB recognises that Black staff experience the workplace differently, and face different types of discrimination to Asian staff, and Asian staff face different challenges to our Eastern European staff, for example. We know that there are a huge range of ethnic minority communities working for LFB, and we wish to acknowledge this in recognition of the contribution of individual staff members, despite the use, for data purposes, of the 'BAME' acronym in this report.

To tackle this and to better understand the impact of the language we use, LFB is working with our equality support groups (staff networks) to understand their preferences and needs in relation to

language, and for the first time we have broken down our ethnicity pay gap summary report below into the data on Black, Asian and other ethnic minority groups, as well as grouped as 'BAME' staff.

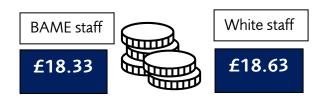
# Summary of LFB Ethnicity Pay Gap(s)

# Median Hourly Pay: All Staff



What this means: LFB has a **no** overall median pay gap between BAME and white staff.

# Mean Hourly Pay: All Staff



What this means: LFB has an overall mean pay gap of 1.62% in favour of white staff.

## A note on staff groups, full and part time pay gaps

Although the overall LFB pay gap in favour of white staff appears small, there are significant differences in pay gaps when the data is broken down across different staff groups, ethnicities and when broken down by full and part time staff. Two areas are highlighted below, and the report includes full details of all gaps, including some significant hourly pay gaps in favour of white staff.

# Largest Pay Gap:

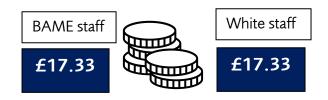
# Median Part Time Hourly Pay: FRS Asian Staff



What this means: LFB has a mean pay gap for part time FRS staff of **26.50**% in favour of **white staff** when compared to Asian staff.

# **Smallest Pay Gap:**

# Median Full and Part Time Hourly Pay: Operational Staff Group



What this means: LFB has no median pay gap for full and part time BAME and white operational staff.

# Full Pay Gap Analysis

4. The London Fire Brigade (LFB) has published its ethnicity pay gap information as at the 31 March 2020.

	Median Hourly Pay				
All staff	BAME White		Day Can		
	Hourly Rate	No	Hourly Rate	No	Pay Gap
	£17.33	890	£17.33	4721	0.00%

	Mean Hourly Pay					
All staff	BAME	Pay Gap				
	Hourly Rate No Hourly Rate N		No			
	£18.33	890	£18.63	4721	1.62%	

#### Full and Part Time Breakdown

5. At 31 March 2020, 15.51% of full time staff at LFB are BAME, and 24.68% of part time staff are BAME.

ALL STAFF: Full and Part Time Breakdown	Median Hourly Pay Rate (Full Time)	Median Hourly Pay Rate (Part Time)	Mean Hourly Pay Rate (Full Time)	Mean Hourly Pay Rate (Part Time)
BAME	£17.33	£19.70	£18.29	£19.25
White	£17.33	£19.78	£18.56	£21.56
Pay Gap	0.00%	0.36%	1.45%	10.75%

6. The data has also been broken down for Black, Asian and other ethnic minority groups individually.

# Pay Gap overall for Black Staff

The following table demonstrates there are small pay gaps in favour of white staff in the median and mean hourly pay rates (full and part time) when compared to pay rates for Black staff.

ALL STAFF	Median Hourly Pay Rate (Full Time)	Median Hourly Pay Rate (Part Time)	Mean Hourly Pay Rate (Full Time)	Mean Hourly Pay Rate (Part Time)
Black or Black British	£17.33	£19.70	£18.36	£20.11
White	£17.33	£19.78	£18.56	£21.56
Pay Gap	0.00%	0.36%	1.06%	6.72%

# Pay Gap overall for Asian Staff

The following table demonstrates there are significant pay gaps in favour of white staff in the median and mean hourly pay rates (full and part time) when compared to Asian staff, apart from in the mean hourly full time rate where there is a very small pay gap in favour of Asian staff.

ALL STAFF	Median Hourly Pay Rate (Full Time)	Median Hourly Pay Rate (Part Time)	Mean Hourly Pay Rate (Full Time)	Mean Hourly Pay Rate (Part Time)
Asian or Asian British	£17.33	£16.62	£18.72	£18.10
White	£17.33	£19.78	£18.56	£21.56
Pay Gap	0.00%	15.96%	-0.87%	16.08%

# Pay Gap overall for other ethnic minority group staff

The following table demonstrates there are pay gaps in favour of white staff in the median and mean hourly pay rates (full and part time) when compared to staff from other ethnic minority groups.

ALL STAFF	Median Hourly Pay Rate (Full Time)	Median Hourly Pay Rate (Part Time)	Mean Hourly Pay Rate (Full Time)	Mean Hourly Pay Rate (Part Time)
Any other ethnic group (other ethnic groups and dual / mixed heritage)	£17.33	£17.33	£18.02	£18.60
White	£17.33	£19.78	£18.56	£21.56
Pay Gap	0.00%	12.36%	2.93%	13.72%

- 7. The data has also been broken down by the three main occupational groups within the LFB:
  - d) Operational: These are firefighters and operational managers. They make up 83% of the workforce. Their terms and conditions are negotiated nationally, and salaries are determined in accordance with role, with no reference to ethnicity or any other personal characteristic.

	Median Hourly Pay Rate	Median Hourly Pay Rate	Mean Hourly Pay Rate	Mean Hourly Pay Rate
Operational	(Full Time)	(Part Time)	(Full Time)	(Part Time)
BAME	£17.33	£17.33	£17.53	£17.21
White	£17.33	£17.33	£17.85	£17.66
Pay Gap	0.00%	0.00%	1.75%	2.52%

e) FRS (Fire and Rescue staff): These are non-uniformed support staff. They make up 15% of the workforce. Their terms and conditions are negotiated locally, and salaries are determined through a job evaluation system (Gauge), with no reference to ethnicity or any other personal characteristic.

FRS	Median Hourly Pay Rate (Full Time)	Median Hourly Pay Rate (Part Time)	Mean Hourly Pay Rate (Full Time)	Mean Hourly Pay Rate (Part Time)
BAME	£19.70	£19.70	£20.45	£19.61
White	£22.04	£22.33	£23.74	£23.33
Pay Gap	10.61%	11.76%	13.87%	15.95%

f) Control: These are 999 call handlers and their managers. They make up 2% of the workforce. Their terms and conditions are negotiated locally, and salaries are determined in accordance with role, with no reference to ethnicity or any other personal characteristic.

Control	Median Hourly Pay Rate (Full Time)	Median Hourly Pay Rate (Part Time)	Mean Hourly Pay Rate (Full Time)	Mean Hourly Pay Rate (Part Time)
BAME	£17.39	£23.34	£17.77	£23.34
White	£19.08	£20.36	£19.67	£21.34
Pay Gap	8.88%	-14.67%	9.64%	-9.39%

# **Findings**

8. There is **no** overall **median** hourly pay gap in favour of either white or BAME staff, which is no change from the 2018/19 report.

9. There is an overall **mean** hourly pay gap **in favour of white staff** of **1.62%**, which is a minute increase in the gap reported in 2018/19 of 1.51%.

# Median hourly pay

#### All Staff

- 10. As detailed above, for median hourly pay for all staff, there is no pay gap between BAME and white staff. However, there is a very small difference when broken down into full and part time median hourly pay.
- 11. There is a small pay gap in favour of white staff for median hourly part time pay of 0.36%, which although negligible, is an increase in gap from the 2018-19 report, where there was no gap reported for either full or part time pay.

## Operational Staff

12. In the operational group, 70% of staff are in the firefighter role, and so firefighter pay is the median hourly pay both for BAME and white employees in the operational staff group. There is no ethnicity pay gap in this group for either full or part time hourly pay, this has not changed from the 2018-19 report.

#### **FRS Staff**

- 13. There is an ethnicity pay gap in median full time hourly pay in favour of white staff of 10.61%. This is a decrease in gap from the 2018-19 report, where there was a gap in favour of white staff of 12.19%.
- 14. There is an ethnicity pay gap in median part time hourly pay in favour of white staff of 11.76%. This is an increase from the 2018-19 report, where there was a gap in favour of white staff of 9.67%.

### **Control Staff**

- 15. Amongst Control staff there are differences in pay gaps when reporting on full time and part time median hourly pay. There is a pay gap in median hourly full time pay in favour of white staff of 8.88%, which is a decrease of gap from the 12.59% reported in the 2018-19 report.
- 16. There is a pay gap in median hourly part time rate in favour of BAME staff of -14.67%, this is a significant decrease in pay gap, which in the 2018-19 report was -23.11% in favour of BAME staff
- 17. The Control staff group is small (109 in total) and represents just 2% of the LFB workforce, so the data can be skewed by individual employees.

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# Mean hourly pay

#### All Staff

- 18. Using mean hourly pay, the ethnicity pay gaps are different when reporting on the full and part time mean hourly pay rates. For full time staff, there is a small gap in favour of white staff of 1.45%, a very small increase in gap from the 2018-19 report where there was a gap of 1.23%.
- 19. For part time staff, there is a gap in favour of white staff of 10.75%, which represents a decrease in gap from 13.14% reported in the 2018-19 report.

# **Operational Staff**

- 20. Again, there are small differences in pay gaps when looking at part time and full time mean hourly pay rates. For full time operational staff, there is a pay gap in favour of white staff of 1.75%, a very small increase in gap from the 2018-19 gap of 1.35%.
- 21. For part time staff, there is a pay gap in favour of white staff of 2.52%, an increase in gap from the -0.02% in favour of BAME staff reported in the 2018-19 report.

#### **FRS Staff**

- 22. There are pay gaps in favour of white staff for both full time and part time mean hourly pay rates. For full time staff, there is a pay gap in favour of white staff of 13.87%, a decrease from the 2018-19 report where a gap of 16% was reported.
- 23. For part time staff, there is a significant pay gap in favour of white staff of 15.95%, though this is a decrease from the 2018-19 gap of 18.51%.

#### **Control Staff**

- 24. There are pay gaps in the Control staff group across both full and part time mean hourly rates, differing in favour of both white and BAME staff. For full time staff there is a pay gap in favour of white staff of 9.64%, a small reduction from the 2018-19 report where a gap in favour of white staff was reported of 11.12%.
- 25. For part time staff, there is a pay gap in favour of BAME staff of -9.39%, a significant decrease in gap from the 2018-19 pay gap report where the gap was -19.21%.

# Data transparency

26. The analysis of workforce, pay and promotions data, including detailed recruitment data, is important in understanding ethnicity issues. Following governance changes in April 2018, data on diversity will be submitted to the London Fire Commissioner and this may be scrutinised by the Fire, Resilience and Emergency Planning Committee (FREP). London Assembly members have a continuing interest in the relative performance of GLA bodies on ethnicity and pay, and have asked for this data to be published as part of the Mayor's annual report.

27. LFB publishes a quarterly corporate performance digest 'Our Performance' which includes detailed reporting on ethnicity in relation to recruitment, promotion and retention. A six-monthly People Services Performance Report is also published, highlighting detailed information and data on workforce demographics.

## Tackling our pay gaps: context and actions

28. The key ethnicity diversity issue for the LFB is to increase the representation of BAME staff in the operational workforce where BAME staff currently comprise just 13% of the staff group. A number of initiatives are being developed to improve this, along with representation and cultural change in other areas.

## Transformation Delivery Plan

- 29. In January 2020, in response to the Phase 1 Grenfell Report recommendations and the HMICFRS inspection report, the new LFB Commissioner Andy Roe launched a Transformation Delivery Plan (TDP), setting out a new organisational vision, purpose, and three core behaviours.
- 30. The plan has two key enablers, one of which is diversity and inclusion, demonstrating a cultural shift and new direction to achieving diversity and inclusion across all areas of the organisation. The plan provides the structure and accountability for the new Togetherness Strategy (explained further below) and sets out key actions which will have a direct impact on the reduction of the ethnicity pay gap.

## Inclusion and Togetherness

- 31. In 2019 LFB doubled the capacity of the Inclusion Team to four full time members of staff, with a revised remit to launch a new Inclusion Strategy to underpin the Transformation Delivery Plan. The new strategy, renamed the 'Togetherness Strategy', launched on 1 July 2020. It makes explicit commitment to taking action to increase representation of minority groups including Black, Asian and other ethnic minority staff, and has dedicated accountability measures for overseeing both gender and ethnicity pay gaps.
- 32. The Togetherness Strategy is supported by a Togetherness Board of strategic senior leaders who are named accountable against the strategy actions, and a Representative Committee comprising staff Equality Support Groups (LFB's staff networks) and representative bodies, including the Fairness (BAME) staff network and the Fire Brigade Union's B&EMM Network.

#### Talent and Performance

- 33. The Transformation Delivery Plan introduced three new core behaviours for LFB staff: compassion, togetherness and accountability. A new behavioural framework was launched cross-organisationally in 2020, and will underpin all operational and non-operational recruitment, promotion, development and performance management.
- 34. In addition, a talent management framework is being developed which incorporates the new behaviours, and which will be rolled out for all staff. It is currently being piloted with the Top Management Group and will be evaluated brigade wide at the end of 2021/early 2022.

## Leadership

- 35. The LFB Centre for Leadership was established in early 2019. In the past year, it has developed its role as an in-house delivery arm for leadership development. Their work has included the development and delivery of the LFB's new behavioural framework as well as a wide range of leadership development courses, focused predominantly around our three core behaviours of compassion, togetherness and accountability. Pilots have been delivered across all staff groups with approximately 600 participants engaging in their programmes and workshops. Throughout 2020/21 they are developing a new leadership pathway that will provide leadership development for all staff including supervisory, middle, and strategic leaders.
- 36. In addition, the Togetherness Strategy commits to a number of actions relating to leadership and development, including training on inclusive leadership and the delivery of targeted leadership development programmes for underrepresented groups of staff, including BAME staff.

#### Outreach

37. The Outreach Team was established in September 2017 and engages with under-represented groups (women, LGBT and BAME communities) to promote the role of a modern day firefighter. In the last year, the team have delivered over 25 information days, and are continuing to deliver these using live video communications during COVID-19 lockdown. As a result LFB has seen a significant increase in applications and successful appointment to the firefighter role by BAME people:

Year	Number appointed
2017	26
2018	43
2019	39

38. In addition to career information days, the team support recruitment through attendance at targeted community-based activities such as career fairs, fitness events and cultural festivals across diverse boroughs of London. Candidates are provided with support to meet the required standard for physical tests through one to one coaching, and the team work closely with local career and employment partners to encourage them to promote the role to their service users.

## Coaching and mentoring

- 39. In 2019 we launched a structured Coaching and Mentoring programme across the Brigade. This has created a network of staff, from all staff groups who assist with providing support to staff from all grades. The Coaching and Mentoring programme is now under review with the intention to create four streams; improve diversity; career progression coaching; performance coaching and supporting the Leadership interventions. The feasibility of extending the network across the GLA, TfL and MOPAC is in discussion.
- 40. Reverse mentoring has been shown to be specifically effective in improving the diversity of the organisation and will be an additional offering from the Coaching and Mentoring Network. Focus groups are being held with members of the BAME network groups across the Brigade to explore the most effective way of introducing and embedding Coaching, Mentoring and Reverse Mentoring.

## Conclusion

41. There are significant actions being undertaken to tackle the varying ethnicity pay gaps across the Brigade. The Togetherness Strategy and accompanying governance processes are a significant change since the 2018/19 pay gap report was published, and LFB expects to continue to close the pay gaps where they arise through the goals and objectives outlined in this strategy.