

Ethnicity Pay Reporting

Government Consultation – closing date 11 January 2019

The consultation seeks views on ethnicity pay reporting by employers. The consultation framework sets out options and asks questions on what ethnicity pay information should be reported by employers to allow for meaningful action, who should be expected to report and next steps. The objective of the consultation is to enable government and employers to move forward in a consistent and transparent way. Consultation responses will inform future government policy on ethnicity pay reporting.

Question 1: What are the main benefits for employers in reporting their ethnicity pay information?

Generally speaking there is limited robust data in relation to ethnicity without which Fire and Rescue Services (FRSs) cannot increase or improve on the diversity of FRSs workforces. Understanding the ethnicity of the workforce and the roles these staff undertake with the service will help better understand what positive action needs to occur for recruitment, promotion and retention purposes.

Question 2: What type of ethnicity pay information should be reported that would not place undue burdens on business but allow for meaningful action to be taken?

Please indicate from the list below and state the reasons for your answers:

- a) One pay gap figure comparing average hourly earnings of ethnic minority employees as a percentage of white employees
- b) Several pay gap figures for different ethnic groups, using standardised ethnicity classifications
- c) Ethnicity pay information by £20,000 pay band
- d) Ethnicity pay information by pay quartile
- e) All of the above
- f) Other
- g) Don't know

If there is a need for consistency in data collection, and the ability to compare data information then it is sensible that the ethnicity data request is the same as the gender pay reporting, together with the additional (a) option. Option (b) may be challenging both in collection and reporting of data due to some FRSs having very small numbers of minority groups, which may make data reporting too small to draw any reliable conclusions.

Question 3: What supporting or contextual data (if any) should be disclosed to help ensure ethnicity reporting provides a true and fair picture?

Whilst it is not mandatory to provide narrative and action plans currently under the gender pay reporting requirements, over half of the responding organisations did do so. A narrative to contextualise Service response and intent of action linked into FRS equality framework should enable FRSs both to understand the data submission and actively take action to reduce or eliminate any gaps identified.

Question 4: Should an employer that identifies disparities in their ethnicity pay in their workforce be required to publish an action plan for addressing these disparities?

Yes. A narrative to contextualise the Service response and intent of action linked into FRS equality framework should enable FRSs both to understand the data submission and actively take action to reduce or eliminate any gaps identified.

Question 5: Do you currently collect data on ethnicity at your workplace?

Yes

If yes, do you use standard ethnicity classifications for reporting? If so which ones?

2011 census: 18 standardised ONS ethnic classifications

Question 6: What do you think are the most effective approaches for employers to improve employee self-reporting or declaration rates?

- HFRS already collect ethnic information for recruits/new joiners to the Service.
- HFRS conducts an annual review of the data which informs the annual E&I report
- Better explanation to employees on how the data will be used – perhaps this could be via a nationally produced guidance/leaflet/campaign.
- Nationally produced on line forms that can be adopted locally for collection of data and reporting?
- Allow a prefer not to say option

Question 7: How should self-reporting or non-disclosure rates be reflected in the information reported by employers?

By allowing a prefer not to say/disclose option

Question 8: For a consistent approach to ethnicity pay reporting across companies, should a standardised approach to classifications be used? What would be the costs to your organisation?

- National guidance to adopt one form of ethnicity reporting so data can be compared more easily and consistently across organisations
- HFRS already use 2011 census: 18 standardised ONS ethnic classifications, although some of the numbers involved are too small to report and draw any reliable conclusions from.

Question 9: Please outline steps that should be taken to preserve confidentiality of individuals.

Information should be provided for employees on why the data is required and how legislation protects personal data about living individuals. Suppression of categories needs to be considered as this will protect data, particularly as some numbers involved are too small to draw any reliable conclusions anyway, which poses the question of legitimate use.

Question 10: What size of employer (or employee threshold) should be within scope for mandatory ethnicity reporting?

Employers with 250+ employees in order to be comparable with gender pay gap reporting

Question 11: What support measures do you think would be useful for employers?

- Good national guidance
- Agreed data collection categories
- Tools to support organisations for employee engagement
- Consideration of the reporting and action plan requirements to be embedded into existing equality frameworks e.g. LGA FRS Equality Framework so that these requirements become business as usual rather than a separate piece of work to do

