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**Executive Directors Group**

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| **DATE OF MEETING:** | 25 March 2021 |
| **TITLE OF REPORT:** | Equal Pay Audit 2021 |
| **EXECUTIVE LEAD:** | Director of Workforce  |
| **REPORTING OFFICER:** | Brian McKenna, HR Manager |

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| **Purpose of the Report** (delete as appropriate) |
| **For Decision** | **For Discussion** | **For Information** |

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| **SBAR REPORT** |
| **Situation** NHS Fife has a legislative duty to publish biennial Gender Pay Gap information highlighting the percentage difference in the average basic hourly earnings between male and female employees. The legislation was extended in 2017, with public bodies required to publish pay gap information for disabled and BAME employees. This SBAR details the results of the Pay Gap analysis undertaken in 2021. |
| **Background**The Equality Act (Specific Duties) (Scotland) Regulations 2012, as amended in 2015 & 2016, sought to mainstream equality into public sector culture in practical and demonstrable ways. In doing so, the regulations require public authorities to consider how they can positively contribute to a more equal society.The regulations focus on three key elements, collectively referred to as the General Equality Duty. The General Equality Duty requires NHS Fife, in the exercise of its functions, to have due regard to the needs to:1. Eliminate unlawful discrimination, harassment and victimisation and other prohibited conduct
2. Advance equality of opportunity between people who share a relevant protected characteristic and those who do not
3. Foster good relations between people who share a protected characteristic and those who do not.

The Regulations details specific responsibilities which public authorities are required to evidence. Within NHS Fife, the specific responsibilities are shared between different Directorates. These are:Nursing Directorate* Report on mainstreaming the equality duty
* Publish Equality Outcomes and Report Progress
* Assess and Review Policies and Practices

Workforce Directorate* Gather & use employee information
* Publish gender pay gap information. This responsibility was extended to cover disability and Race from 2017
* Publish statements on equal pay

Finance Directorate* Consider award criteria and conditions in relation to public procurement

The 2021 Mainstreaming Report has previously been presented to EDG members for consideration and, following Board approval, is scheduled to be published on 1st April 2021.This SBAR focuses on the results of the 2021 Equal Pay Audit. These results are to be published no later than 30th April, along with NHS Fife’s Equal Pay Statement.  |
| **Assessment****Findings**The Equal Pay Audit undertaken in 2021 was based on the average basic hourly earnings for all employees who provided a positive response within the equal opportunities questionnaire in respect to their Disability (47%), Gender (100%), and Race (61%). The Pay Gap results for each of these characteristics are detailed below:

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| Protected Characteristic | 2013 | 2015 | 2017 | 2019 | 2021 |
| Disability (% variation between disabled v’s non disabled) | - | - | -0.88% | -4.94% | -4.44% |
| Gender (% variation between male v’s female) | 21.47% | 20.43% | 20.69% | 19.90% | 19.36% |
| Race (% variation between BAME v’s white) | - | - | 32.65% | 5.55% | 28.25% |

A report titled 2021 Equal Pay Gap Analysis is included as Appendix 1. The report incorporates the following information:1. Gender Pay Gap information,
2. Information on Equal Pay and Occupational Segregation for the protected characteristic groups of Disability, Gender and Race,
3. Steps to be taken to demonstrate our commitment to contributing to a more equal society.

The report explains the application of robust job evaluation processes within NHS Scotland ensures pay gap variations identified in the 2021 audit are generated by factors unrelated to an employee’s protected characteristic status. The report incorporates a series of recommendations to be progressed in the coming months in order to demonstrate this finding. These are: 1. All employees will be encouraged to update their personal information, including their protected characteristic status, via the eESS Employee Self Service Functionality. It will facilitate a higher positive response rate for each of the characteristic groups, thereby improving the robustness of future audits.
2. Although analysis of the pay gap audit indicates that employees are not disadvantaged based on their Protected Characteristic status, the results of this audit will be measured against other Health Boards within NHS Scotland once published.

NHS Fife’s Equal Pay Statement is also included as Appendix 2. This Statement was agreed collectively by NHS Scotland. There have been no updates to this statement, or the related legislation, in the previous 4 years.  |
| **Recommendation**EDG are asked to note the content of this report and agree the wording detailed within Appendix 1 (2021 Equal Pay Gap Analysis) and Appendix 2 (Equal Pay Statement). This information will be published by 30th April 2021. |

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| **Objectives: (must be completed)** |
| Healthcare Standard(s): | Staff Governance |
| HB Strategic Objectives: | Employer of Choice |

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| **Further Information:** |
| Evidence Base: | Workforce Demographics, Payroll |
| Glossary of Terms: |  |
| Parties / Committees consulted prior to Health Board Meeting: |  |

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| **Impact: (must be completed)** |
| **Financial / Value For Money** | N/A |
| **Risk / Legal:** | Equality Act 2010, Equality Act 2010 (Specific Duties) (Scotland) Regulations. |
| **Quality / Patient Care:** | N/A |
| **Workforce:** | N/A |
| **Equality:** | Evidences NHS Fife’s commitment to meeting our Equality Outcomes. |