

HCPC Gender Pay Gap Report

2022

Introduction

HCPC's [Equality, Diversity and Inclusion \(EDI\) Strategy](#) sets out our vision to be recognised as an actively anti-discriminatory organisation that upholds and promotes best practice in equality, diversity and inclusion. This is underpinned by our [Corporate Strategy 2021-26](#) which places EDI at its heart, and our four values – Fair, Compassionate, Inclusive and Enterprising – that guide us in our work and how we do it. EDI is a fundamental part of ensuring that we are a high performing, adaptable and caring regulator that ensures public protection through strong, evidence-based regulation.

This report provides analysis of our gender pay gap. All employers with 250 or more employees are required to publish their gender pay gap data every year under new legislation. The data must be published by 5 April for the snapshot date of 5 April in the preceding year. This is HCPC's report for the snapshot date of 5 April 2021, based on 239 employees and a combined total of 367, including partners.

We have also continued to report on our ethnicity pay gap, which is published in a separate report. While there is as yet no legal requirement for employers to report on the ethnicity pay gap, we are reporting on this as part of our commitment to go beyond compliance, in line with our strategic ambitions. Analysing and publishing data on both the gender and ethnicity pay gap will help us to pinpoint areas for improvement.

Publishing this data is also important so that we play our role in promoting transparency, supporting important discussions on the challenges faced by ethnic minority communities within the workforce and in turn, continue to be an inclusive employer. Our ambition is to reduce the gaps that have been identified. To do this we will monitor our KPIs and measure the impact in line with our new People Strategy. We can confirm that the figures contained in this report have been verified and checked to ensure accuracy.



John Barwick
Chief Executive and Registrar

What is a gender pay gap?

A gender pay gap shows the difference in the average pay between all men and women in an organisation. The gender pay gap differs from equal pay, which deals with the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value.

What does HCPC have to do?

To comply with the regulations we have to provide:

1. The mean gender pay gap
2. The median gender pay gap
3. The mean bonus gender pay gap
4. The median bonus gender pay gap
5. Proportion of males receiving bonus
6. Proportion of females receiving bonus
7. The proportion of males and females in quartile bands

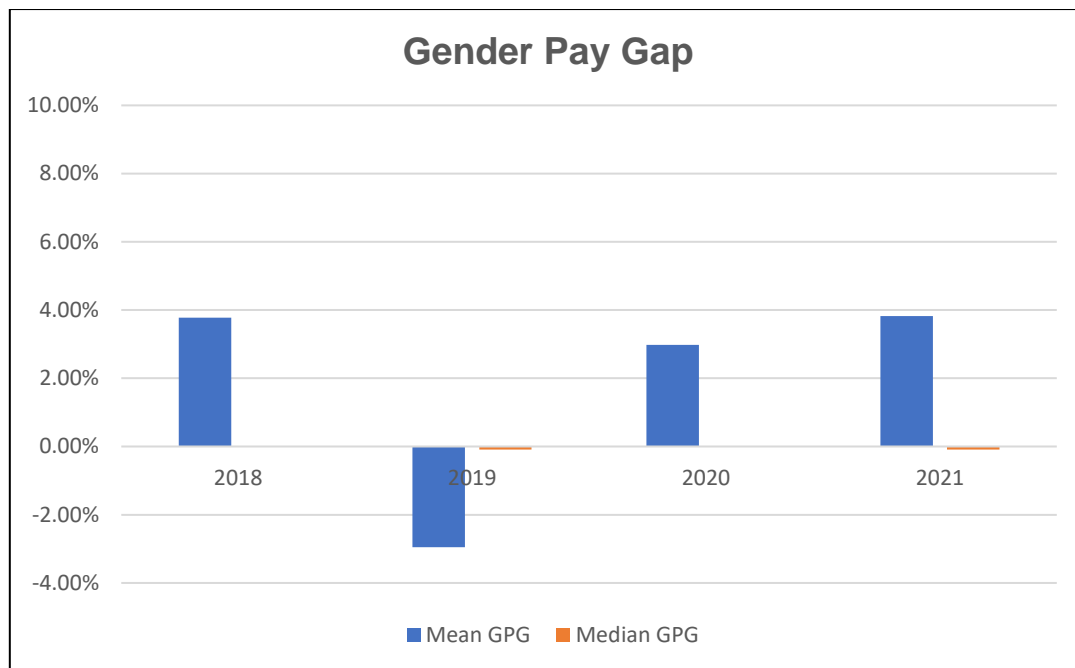
How were the gender pay gap figures calculated?

The figures set out below have been calculated using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

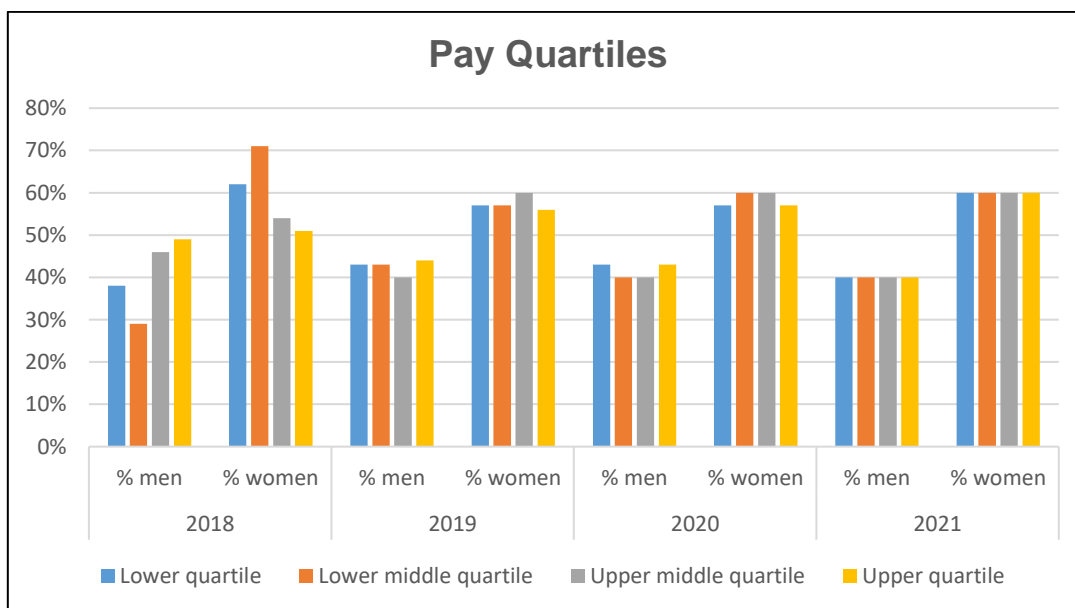
The calculations cover "relevant employees". For the purposes of the Regulations, the definition of an "employee" is very broad and includes anyone who provides services as an independent contractor ('partner'). We are therefore required to include HCPC partners in the calculation, although for the avoidance of doubt they are not considered to be employees or workers for any other purpose.

What is HCPC's gender pay gap?

This section sets out the key figures making comparisons with other organisations. Sections below explain these in more detail and actions we are taking to promote equality and reduce our pay gap. These figures are based on a snapshot date of 5 April 2021. Pay quartiles by gender are set out in table below.



Distribution of men and women by quartile:



	2018		2019		2020		2021	
Pay Quartile	% men	% women	% men	% women	% men	% women	% men	% women
Lower quartile	36%	64%	39%	61%	39%	61%	40%	60%
Lower middle quartile	42%	58%	44%	56%	40%	60%	40%	60%
Upper middle quartile	43%	57%	37%	63%	41%	59%	40%	60%
Upper quartile	37%	63%	42%	58%	40%	60%	40%	60%

Compared to 2020 there have been small changes within the quartiles:

LQ	1%	Decrease in women; increase in men
LMQ	0%	No change
UMQ	1%	Decrease in men; increase in women
UQ	0%	No change

As per 4.2, over the years the distribution of males and females has appeared more balanced, particularly this year where we have noted a 60/40 split across all the quartiles. Given the addition of partners to the data set and the higher number of females this year, each quartile is presenting the same even split. However, there is more variation in the distribution across the quartiles when taking into account employees only, as noted in 9.2.

What do the pay gap figures tell us?

HCPC's **mean gender pay gap is 3.82%**. Mean averages are useful because they place the same value on every number they use, giving a good overall indication of the gender pay gap. However, very large or small pay rates can dominate and distort the answer.

This can be explained by where female and male employees can be found within the pay band structure. Though HCPC's workforce mainly consists of females at 60%, the average hourly pay is slightly lower than that of males which would suggest that males are generally more likely to have higher pay.

It is important to note that the data also includes partners, which as part of guidelines for the purposes of this report, are required to be included as employees. Female partners appear to be higher in number (61%) compared to males partners (39%). HCPC has a higher number of female registrants than males as identified in the [Registrant Snapshot Report](#) and this is reflected in our partner profile. This has reduced the pay gap when compared to employees only (as mentioned in section 9), as a higher proportion of female partners are receiving a higher hourly rate compared to male partners.

HCPC's **median gender pay gap is -0.09%**. The negative value indicates that women have a higher median rate compared to men. This has likely occurred because there is overall a larger number of females, compared to males, who receive a slightly higher median hourly rate.

What are the underlying causes of HCPC's gender pay gap?

HCPC has been monitoring equal pay, which deals with the pay differences between men and women who carry out similar jobs, for several years. The current pay policy was set up to reduce the risks of any unfair disparity between pay for the same or similar work or work of equal value.

The key reason for HCPC's gender pay gap is that there are comparatively more women in roles in lower pay bands than men. This is shown in the quartile information in section 4.2 above. Though HCPC has a larger female workforce and are higher in numbers across each quartile, on average males have a slightly higher hourly rate. Therefore, despite being fewer in number, overall their salaries tend to be slightly higher.

It is important to note that there are other factors that can contribute towards the pay gap, such as part-time employees, a disproportionate female to male workforce and small percentages of exceptionally high earners, particularly in niche roles which may be male dominated. A small portion of HCPC employees are part-time (less than 35 hours per week), all of whom are female; HCPC's workforce is 60% female and exceptional earners within that workforce tend to be at Executive/IT/Digital Transformation level of which are mostly men. As a result, this can skew the distribution of earnings resulting in a lower average hourly rate for females.

The [ONS](#) estimates the gender pay gap on the basis of median hourly earnings rather than the mean since it is not affected by extreme values (e.g. in situations described above). If we consider the mid-point range, it would indicate the typical pay or average median earnings within the female and male population. HCPC's median pay gap is at -0.09%, therefore a negative value would indicate that women have a higher median earning than men and therefore have a typically higher hourly pay.

Despite this, we understand that the mean gender pay gap is an important measure of women's disadvantage in the labour market and any gap, no matter how small or large is representative of improvements that can be made by HCPC to close the gap.

How does HCPC's gender pay gap compare with other organisations?

The vast majority of organisations have a gender pay gap, and HCPC's pay gap compares favourably with that of other organisations. By 7 March 2019, around 1750 UK employers had published their gender pay gap report on the government's gender pay gap reporting [website](#). In April 2020, the average mean gender pay gap was 14.1% and the average median gender pay gap was 12.7%.

	2020	2018	2019	2020	2021
	UK average	HCPC statutory calculation	HCPC statutory calculation	HCPC statutory calculation	HCPC statutory calculation
Mean gender pay gap	14.1%	3.78%	-2.95%	2.98%	3.82%
Median gender pay gap	12.7%	0%	0%	0%	-0.09%

	HCPC	CMA	NMC
Mean	3.82%	6.7%	4.9%
Median	-0.09%	5.5%	8.3%
Mean gender bonus pay gap	0%	41.2%	0%
Median gender bonus pay gap	0%	57.3%	0%
Proportion of male employees receiving a bonus	0%	68.6%	0%
Proportion of female employees receiving a bonus	0%	67.7%	0%

We have chosen to compare ourselves with similar organisations such as Completion and Markets Authority (CMA) and Nursing and Midwifery Council (NMC) who have also participated in reporting.

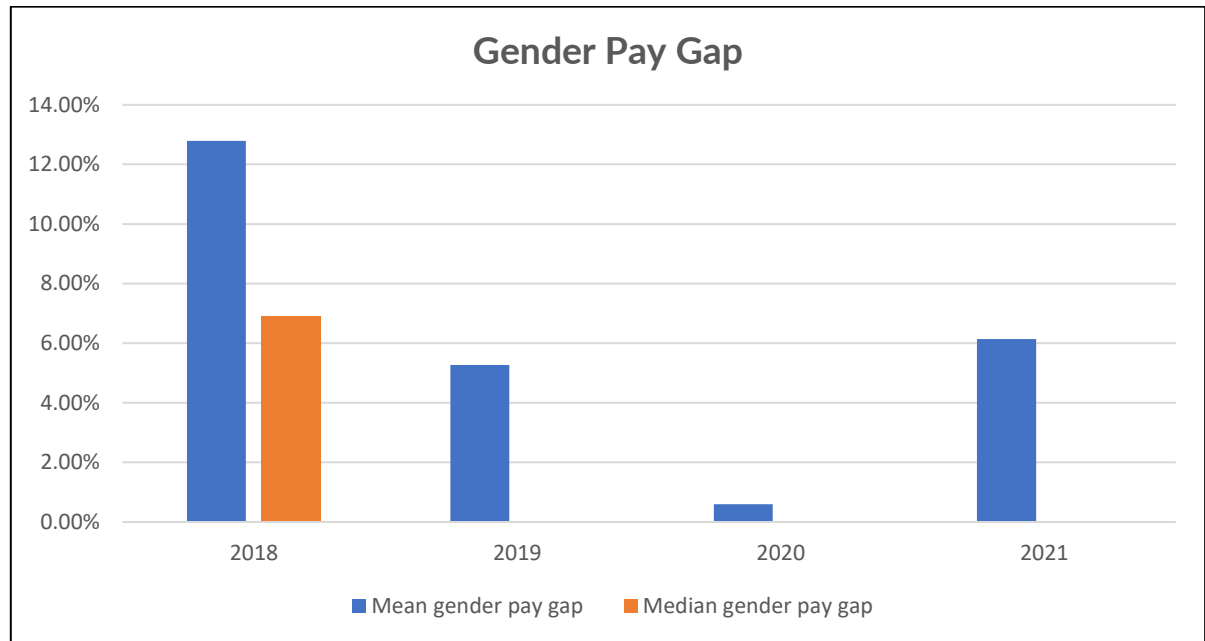
Partner population and gender pay gap

HCPC contracts 650 partners, in 750 roles, for their services. The daily rate is based on the role the partner provides and does not vary in relation to gender, length of service or similar. Partner roles have no career progression with the exceptions of Panel members to panel Chairs.

What happens if we exclude partners from the calculations

As explained in section 3, we have a legal obligation to include HCPC partners in our gender pay gap calculations. However, we carried out a separate set of calculations for employees only, because there is much more variation amongst pay rates for employees than for partners. The calculations for employees only are as follows:

	2018	2019	2020	2021
Mean gender pay gap	12.79%	5.27%	0.60%	6.14%
Median gender pay gap	6.88%	0%	0%	0%



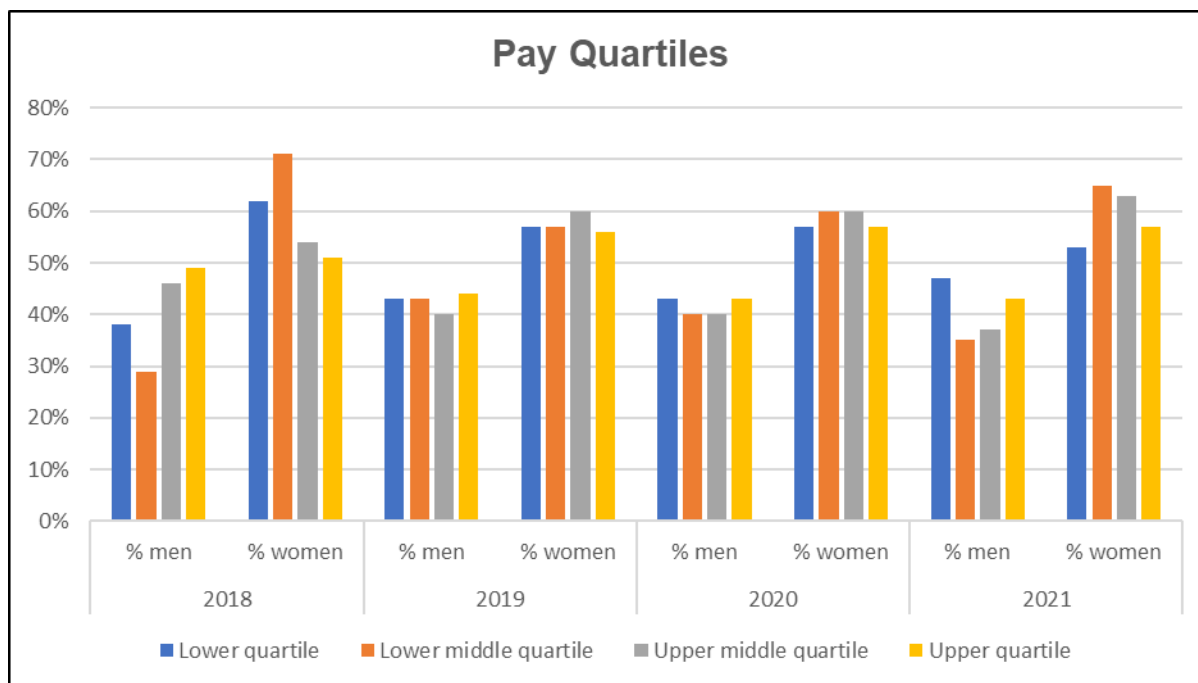
Distribution of men and women by pay quartile excluding partners

The percentage of males and females within the upper quartile remains the same compared to last year, however the number of females in the upper middle quartile has increased, therefore HCPC is doing well in the appointment of females to mid-level roles. Despite this, females look to dominate the lower middle quartile where we have seen a steady increase since 2019.

Employee numbers by pay band:

Pay Band	Number of Employees
Apprentice	4
Band B	12
Band C	54
Band D	65
Band E	85
Band F	3
IT Band 1	6

IT Band 2	4
SMT/CEO	6
Total	239



	2018		2019		2020		2021	
Pay Quartile	% men	% women	% men	% women	% men	% women	% men	% women
Lower quartile	38%	62%	43%	57%	43%	57%	47%	53%
Lower middle quartile	29%	71%	43%	57%	40%	60%	35%	65%
Upper middle quartile	46%	54%	40%	60%	40%	60%	37%	63%
Upper quartile	49%	51%	44%	56%	43%	57%	43%	57%

What is HCPC doing to address its gender pay gap?

While our gender pay gap is comparatively small and has decreased consistently over the past 2 years in relation to employees, we recognise that this has reversed in 2021.

HCPC is committed to doing everything that we can to reduce the gender pay gap. The main reason for our gender pay gap is that there are comparatively more women employees than men in roles attracting lower pay rates. Therefore, our main aim over

time is to attract more women into senior and managerial roles. There is evidence of some progress against this objective when comparing this to the previous years' quartile bands.

The 2020/21 year included multiple appointments at senior/Executive level which were previously covered by agency workers, which as part of the definition of "relevant employee" would have been excluded. The appointments were occupied by males and therefore high salaries at this level would have significantly contributed towards the pay gap compared to 2019/20.

We have also noted that whilst there is less variance in pay in the lower pay bands between males and females, there are more females occupying roles in the lower pay bands compared to men. Conversely, when the comparison is made at higher level pay bands, there are generally larger variances as these bands tend to be wider. Females in the higher pay bands have a lower average salary than males occupying the same pay bands, despite being fewer in number.

In 2020/21, HCPC has started to recruit higher paid panel chairs to allow current panel members to advance within their role and use their expertise.

In order to support this aim we have already:

- Continued to promote flexible working in all campaigns so that we are more attractive as an employer and can offer a better work life balance. This is especially the case given the COVID-19 pandemic whereby HCPC continues to promote new ways of working, particularly hybrid working.
- Continue to engage recruitment partners who chair most of our partner interview panels and provide an independent assessment
- Continue to quality assure and ensure fair calibration between interview panels during partner recruitment through the Partner Project Lead
- Made online unconscious bias training mandatory to all recruiting managers to reduce bias in recruitment.
- Continued to provide recruiting managers with anonymised applications to avoid unconscious bias in decision making.
- Newer members of staff who sit on the shortlisting or interview panel for the first time are being trained
- Improved the range of our diversity monitoring data, particularly relating to recruitment and promotions.
- Reviewed and benchmarked HCPC roles which we have recruited into.
- Provided all employees with mandatory EDI training

During the financial year 2022/2023 we plan to:

- Enhance our employer brand to attract more diverse talent.
- Review roles in lower pay bands and identify options which may assist with reducing the gap between higher and lower paid roles.
- Review recruitment and promotion process to ensure that roles are advertised in a gender-neutral way. HCPC already conduct structured interviews where all candidates are asked the same questions in a predetermined order and format.
- Introduce leadership coaching and development for senior women.
- Introduce more values-based questions and skill-based assessments to assess suitability for the role and to reduce unconscious bias.

None of these measures will reduce the gender pay gap immediately and it may take several years before there is a significant further impact. In the meantime, HCPC is committed to developing our action plan further and reviewing our gender pay gap regularly.

March 2022