

## HCPC Gender pay gap report 2021

### 1. Introduction

- 1.1 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.
- 1.2 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 October for the snapshot date of 5 April in the preceding year. This is HCPC's report for the snapshot date of 5 April 2020, based on 217 employees and a combined total of 534, including Partners.
- 1.3 For the first time this year we are now also reporting 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 KPI's and measure the impact against our new People Strategy.

### 2. What is a gender pay gap?

- 2.1 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.

### **3. What does HCPC have to do?**

To comply with the regulations we have to provide:

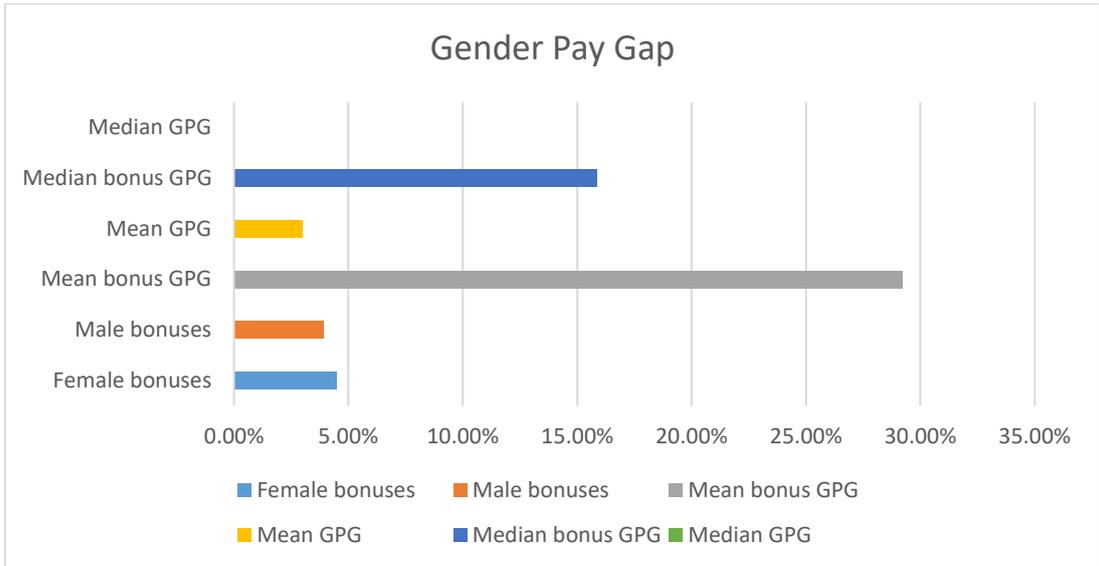
1. The mean gender pay gap
2. The median gender pay gap
3. The mean bonus gender pay gap
4. The median bonus gender pay gap
5. Proportion of males receiving bonus
6. Proportion of females receiving bonus
7. The proportion of males and females in quartile bands

### **3. How were the gender pay gap figures calculated?**

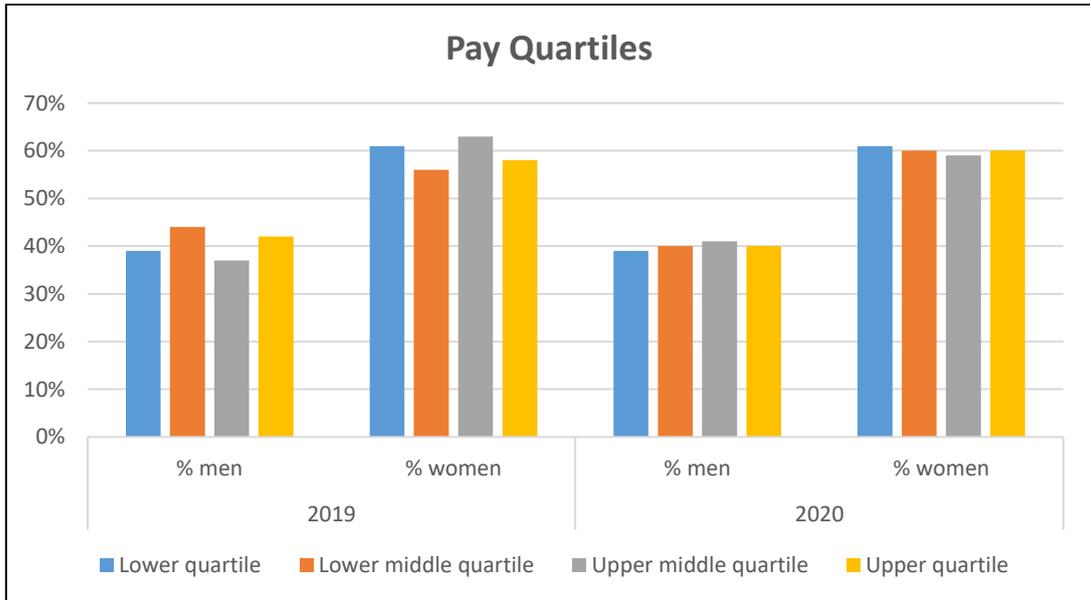
- 3.1 The figures set out below have been calculated using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.
- 3.2 The calculations cover "relevant employees". For the purposes of the Regulations, the definition of an "employee" is very broad and 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.

### **4. What is HCPC's gender pay gap?**

- 4.1 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 2020. Bonus pay, which is also calculated as mean and median, is based on bonus payments paid to staff throughout the 2019 to 2020 financial year and up to 31 March 2020. As this covers a full year period, this calculation includes employees who are not 'full pay relevant' employees and can also include employees who left the HCPC before 31 March 2020. HCPC does not have a bonus pay scheme. However, during the year, 17 retention payments and 3 Employee of the year award payments were made which would be considered as bonus payments as they fall outside the normal pay. Pay quartiles by gender are set out in table 4.2 below.



#### 4.2 Distribution of men and women by quartile



Pay Quartile	2019		2020	
	% men	% women	% men	% women
Lower quartile	39%	61%	39%	61%
Lower middle quartile	44%	56%	40%	60%
Upper middle quartile	37%	63%	41%	59%
Upper quartile	42%	58%	40%	60%

Compared to 2019 there have been small changes within the quartiles:-

- LQ** 0% No change
- LMQ** 4% Decrease in men; increase in women
- UMQ** 4% Increase in men; decrease in women
- UQ** 2% Decrease in men, increase in women

## **5. What do the pay gap figures tell us?**

- 5.1 HCPC's mean gender pay gap is 2.98%. 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.
- 5.2 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 59%, the average hourly pay is similar to that of the males which would suggest that males are more likely to have a slightly higher salary within each pay band.
- 5.3 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. In similar fashion, despite having a fewer number of male Partners (42.70%) the average hourly rate is higher than that of females which would contribute towards the gap which again, would suggest that males are being paid although they are fewer in number.
- 5.4. There has been a reduction of employees (14.69%) in HCPC workforce since HCPC's 2019 gender pay gap report due to an organisational restructure where the regulation of social workers was transferred to Social Work England.
- 5.5 HCPC's median gender pay gap is 0%. It has likely occurred because there are relatively high numbers of partners who all receive the same hourly rate, which falls in the middle of pay value ranges.
- 5.6 Though HCPC does not generally pay bonuses to employees, as part of government guidelines, a bonus includes non-consolidated (one-off, non-pensionable) payments which relate to productivity, performance and incentives, etc. Therefore, under this definition we have included data relating to bonus payments (Employee of the Year Award and Retention Awards) received during the 12-month period ending with the snapshot date i.e. April 2019 – April 2020. Please note, this excludes Partners who would not receive any such bonuses.
- 5.7 HCPC's mean bonus pay gap is 29.21% meaning that males were more likely to receive a higher bonus than females. The median bonus pay gap is 15.89%, meaning that the midpoint range of bonuses paid to females is overall lower than that paid to male employees. As explained in paragraph 4.1, only 20 staff were given bonuses in the financial year 2019/20. The

proportion of females receiving a bonus is 4.49% of females compared to 3.91% of males. As awards were a combination of a pay award and/or based on a percentage of salary, it is likely that male employees awarded a bonus occupied roles within higher pay bands, whereas female employees awarded a bonus occupied roles at lower pay bands. Therefore, the variation in salaries of those awarded bonuses likely explains the bonus pay gap.

## 6. What are the underlying causes of HCPC’s gender pay gap?

6.1 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. HCPC is therefore confident that its gender pay gap does not stem from paying men and women differently for the same work.

6.2 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 across each pay band. Therefore, despite being fewer in number, overall their salaries tend to be slightly higher.

## 7. How does HCPC’s gender pay gap compare with other organisations?

7.1 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](#). The average mean gender pay gap was 12.9% and the average median gender pay gap was 11.1%.

	2018		2019	2020
	UK average*	HCPC statutory calculation	HCPC statutory calculation	HCPC statutory calculation
<b>Mean gender pay gap</b>	12.9%	3.78%	-2.95%	2.98%
<b>Median gender pay gap</b>	11.1%	0%	0%	0%

\*From government gender pay gap reporting website, 7 March 2019

	HCPC	CMA	NMC
Mean	2.98%	5.6%	3.4%
Median	0%	2.9%	9%
Mean gender bonus pay gap	29.21%	29.3%	0%
Median gender bonus pay gap	15.89%	-2.5%	0%
Proportion of male employees receiving a bonus	3.91%	68.7%	0%
Proportion of female employees receiving a bonus	4.49%	72.1%	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 the reporting.

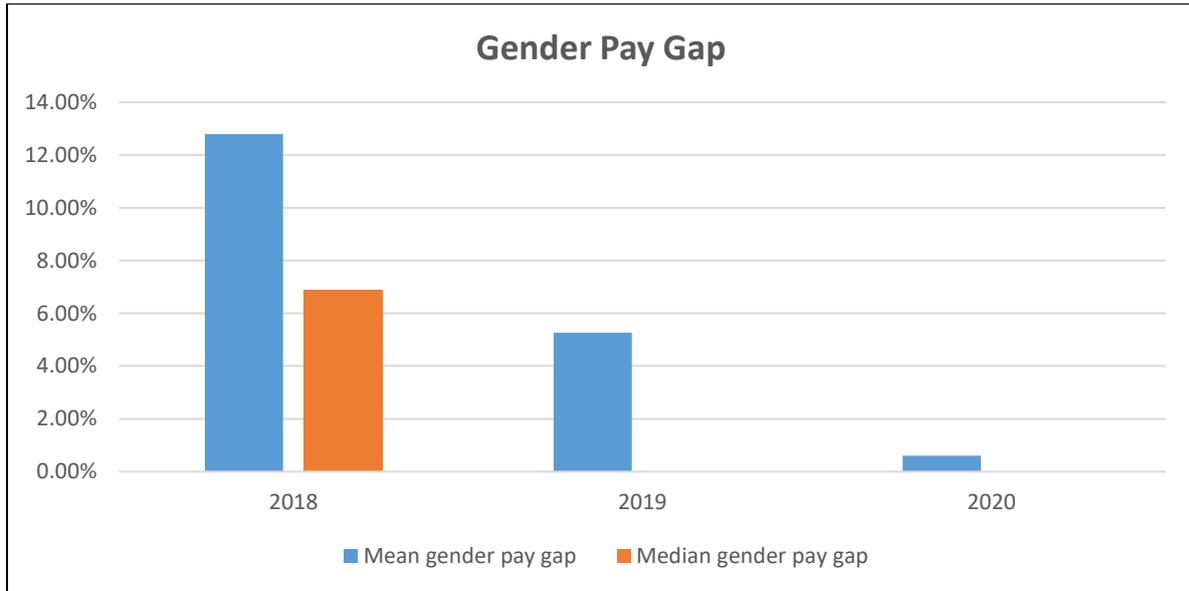
## 8. Partner population and gender pay gap

8.1 HCPC contracts approximately 700 Partners 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.

## 9. What happens if we exclude Partners from the calculations

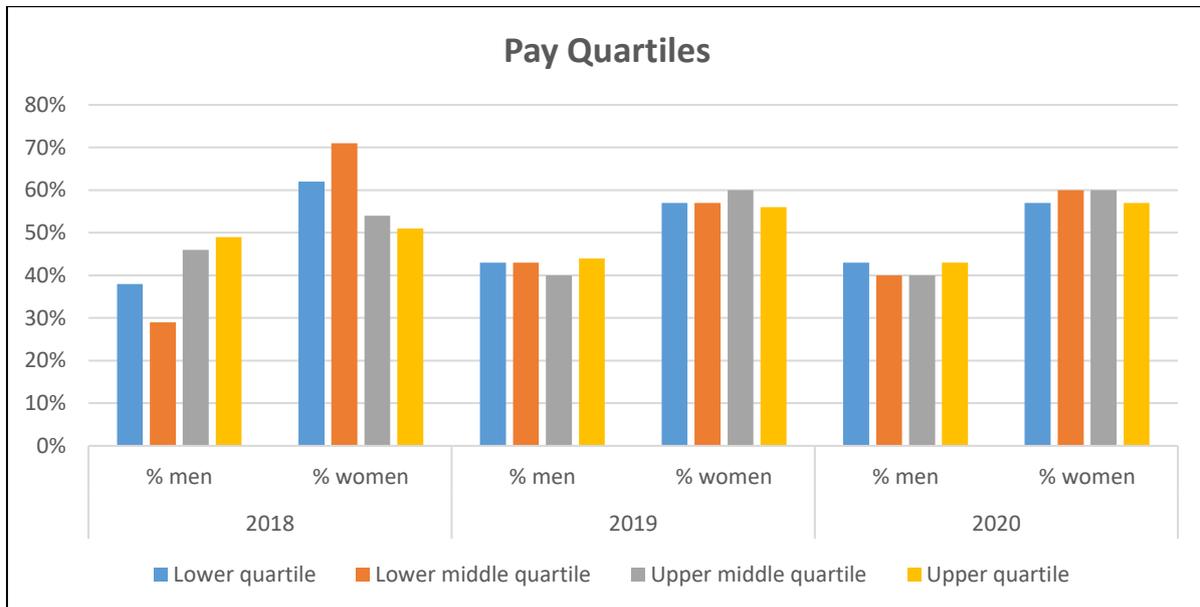
9.1 As explained in section 3, we have a legal obligation to include HCPC Partners in our gender pay gap calculations. However, we carried out a separate set of calculations for employees only, because there is much more variation amongst pay rates for employees than for partners. The calculations for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

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



### Distribution of men and women by pay quartile excluding partners

9.2 The gender pay gap percentages for employees show a significant reduction in the pay gap compared to 2019, which would suggest that HCPC are doing well in the appointment of women in higher paid roles.



Pay Quartile	2018		2019		2020	
	% men	% women	% men	% women	% men	% women
Lower quartile	38%	62%	43%	57%	43%	57%
Lower middle quartile	29%	71%	43%	57%	40%	60%
Upper middle quartile	46%	54%	40%	60%	40%	60%
Upper quartile	49%	51%	44%	56%	43%	57%

## **10. What is HCPC doing to address its gender pay gap?**

- 10.1 While our gender pay gap is comparatively small and has decreased consistently over the past 2 years in relation to employees, it has increased when Partners are included.
- 10.2 HCPC has started to recruit higher paid panel chairs to allow current panel members to advance within their role and use their expertise. HCPC contracts two independent recruitment partners (both female) who chair the majority of interview panels and provide an independent perspective. Newer members of staff who sit on the shortlisting or interview panel for the first time are being trained and their contributions quality assured by the Head of Partners and HR Operations to ensure fair calibration between panels.
- 10.3 HCPC is committed to doing everything that it can to reduce the gender pay gap. The main reason for our gender pay gap is that there are comparatively more women than men in roles in lower pay rates for employees and a lower average hourly rate for Partners. Therefore, our main aim over time is to attract more women into senior and managerial roles. There is evidence of a some progress against this objective when comparing this to the previous years' quartile bands.
- 10.4 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 remote working.
  - Made online live 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.
  - Made additional cash increases over and above our standard annual percentage increase to all employees in lower pay bands to help to reduce the gap between higher and lower paid roles.
  - Developed the range of our diversity monitoring data, particularly around recruitment and promotions.
- 10.5 During the financial year 2021/2022 we plan to:

- Enhance our employer brand through a number of different initiatives in order to attract more diversity.
- Implement changes to our pay and reward policies.
- Review and benchmark all HCPC roles.
- Review starting salaries for all roles.
- Review recruitment and promotion process to ensure that roles are advertised in a gender-neutral way. We 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.
- As we continue to embed our values we will be introducing more values-based questions and skill-based assessments to assess suitability for the role and to reduce unconscious bias.

10.6 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 its action plan further and reviewing its gender pay gap regularly.

September 2021