## **HCPC Gender Pay Gap report 2022**

## **Foreword**

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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 of being – Fair, Compassionate, Inclusive and Enterprising. Our Values 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 legally required to publish their gender pay gap data every year. 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 2022, based on 249 employees and a combined total of 561, including 312 partners<sup>1</sup>. We have reported on our Government requirement of all employees including partners and separately on just our employees (excluding our 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.

<sup>&</sup>lt;sup>1</sup>Partners are HCPC registrants, members of the public and legal professionals who contribute their expertise to the HCPC and play important roles in the regulatory process. Partners are independent contractors and are not HCPC employees.

Our ambition as set out in our People Strategy is to reduce our ethnicity pay gap and maintain a minimal gender pay gap. To do this we will monitor our KPIs and measure the impact in line with our new People Strategy.

**Andrew Smith** 

Interim Deputy Chief Executive

# Our 2022 Gender Pay Report

## 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 proportion of males and females in quartile bands;
- **4.** HCPC did not award bonuses in 2022, therefore this report does not report on bonus gender pay gap.

## 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<sup>2</sup>. A relevant employee includes individuals with a contract of employment or contract of apprenticeship. For this reason, we have included Partners in our snapshot data.

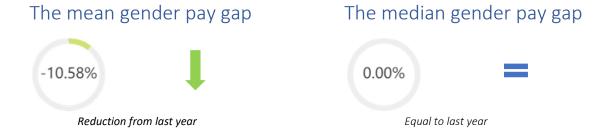
Data has to be produced in relation to "relevant employees" i.e. any person who is employed (within the wider Equalities Act definition) by the relevant employer on the snapshot date of 5 April 2022.

<sup>&</sup>lt;sup>2</sup> The requirements for data collection for statutory reporting purposes is binary and may not reflect the identity of some of our colleagues.

# Section one – All Employees including Partners

This section includes all information and analysis undertaken in line with government reporting requirements.

1.1. This section sets out the key figures in 2022, making comparisons with the past years and with other organisations. Sections below explain these in more detail and actions we are taking to promote equality and maintain a reduction in our pay gap. These figures are based on a snapshot date of 5 April 2022. Pay quartiles by gender are set out in figure 2 below.



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

The mean pay gap measures the average pay for one group against another, for example the average pay for women in an organisation compared to the average pay for men. The median pay gap compares the 'middle' pay for one group against another, when all values are ranged from low to high. The median is less affected by outliers when compared to the mean.

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. If we consider the mid-point range, it would indicate the typical pay or average median earnings within the female and male population.

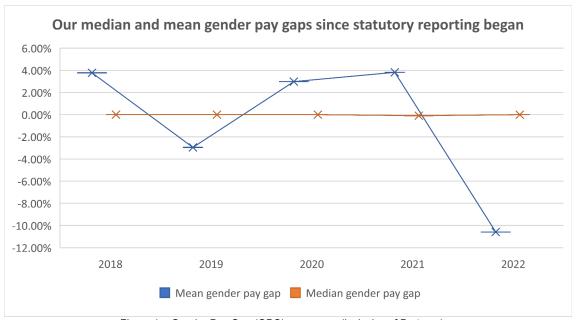


Figure 1 – Gender Pay Gap (GPG) over years (inclusive of Partners)

# 1.2 Distribution of men and women by quartile

Group	Mean Pay Males	Mean Pay Females	Pay Gap (mean)	Pay Gap (median)	Percentage of Males	Percentage of Females	Contribution to Pay Gap
Lower quartile	15.37	15.90	-3.5%	-1.81%	30.50%	69.50%	-2.83%
Lower middle quartile	25.81	26.02	-0.83%	-13.87%	41.43%	58.57%	2.29%
Upper middle quartile	42.93	42.40	1.24%	6.66%	47.86%	52.14%	10.66%
Upper quartile	108.99	112.02	-2.78%	0%	30.00%	70.00%	-20.71%

1.3 Compared to 2021 there have been significant changes within the quartiles:

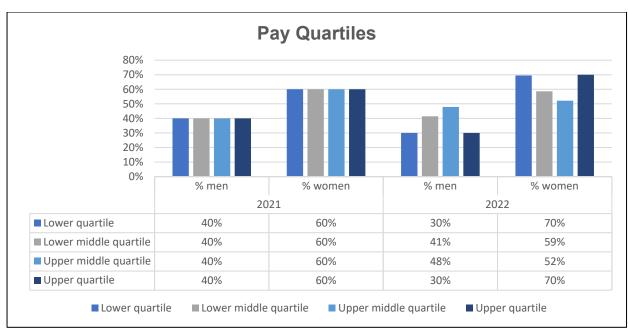


Figure 2 - Gender breakdown across quartiles - Year on Year comparison

LQ	10%	Decrease in men; increase in women
LMQ	1%	Decrease in women; increase in men
UMQ	8%	Decrease in women; increase in men
UQ	10%	Decrease in men; increase in women

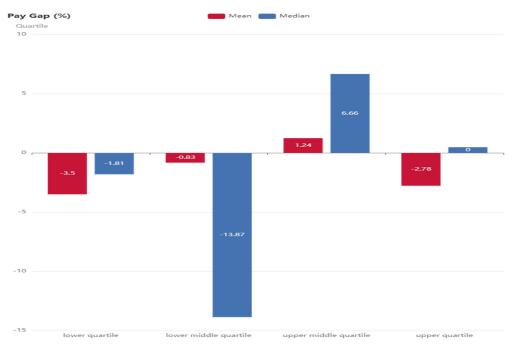


Figure 3 – Gender pay gap across quartiles

1.4 As per figure 2, over the years the distribution of males and females has appeared more balanced, in contrary this year where we have noted a 30/70 split within lower and upper quartiles. Given the addition of partners to the data set and the higher number of females this year. A new role was

established within the Partner pool, which is the second highest partner rate of pay. The breakdown across this particular pay rate is 70% female. They hold a prevalent percentage when looking at the three highest rates of pay across the Partner pool, with females holding 61% of these positions. The distribution is almost equal in lower and upper middle quartiles. However, there is more variation in the distribution across the quartiles when taking into account employees only, as noted in figure 7.

- 1.5 HCPC contracts approximately 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 significantly limited career progression with the exceptions of Panel members to panel Chairs. Therefore the Partner pool being considerably larger than the employee establishment does have a stronger influence on the HCPC's pay gaps.
- 1.6 Whilst it is not a direct correlation, this aligns with gender pay gaps broken down by quartiles as shown in figure 3.

# 2. What do the pay gap figures tell us?

- 2.1 HCPC's mean gender pay gap (including partners) is -10.58%. 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.
- 2.2 This can be explained by where female and male employees can be found within the pay quartiles Though HCPC's workforce and partners is 63% female, the average hourly pay, including for these purposes remuneration for partners, is slightly higher than that of males, which would suggest that females are generally more likely to have higher pay.
- 2.3 It is important to note that the data includes partners, which as part of guidelines for the purposes of this report, are required to be included. Female partners are higher in number (67%) compared to male partners (36%). 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, which happened in the upper quartile.
- 2.4 HCPC's median gender pay gap is 0%. This is because there are relatively high numbers of partners who all receive the same hourly rate.

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

3.1 The vast majority of organisations have a gender pay gap, and HCPC's pay gap compares favourably with that of other organisations. In 2021 to 2022 reporting year, around 10,504 UK employers had published their gender pay gap report on the government's gender pay gap reporting website. In April 2022, the average mean gender pay gap was 14.9% and the average median gender pay gap was 9.71%.

	2022	2018	2019	2020	2021	2022
	UK	HCPC	HCPC	HCPC	HCPC	HCPC
	average <sup>3</sup>	statutory	statutory	statutory	statutory	statutory
		calculation	calculation	calculation	calculation	calculation
Mean						
gender	471< (	3.78%	-2.95%	2.98%	3.82%	-10.58%
pay	4/18(	3.7070	-2.9570	2.90 /0	3.02 /0	-10.5070
gap						
Median						
gender	9.71%	0%	0%	0%	0%	0%
pay						
gap						

	HCPC	CQC	NMC
Mean	-10.58%	2.5%	6.2%
Median	0%	0%	12.7%
Mean gender bonus pay gap	0%	0%	0%
Median gender bonus pay gap	0%	0%	0%
Proportion of male employees	0%	0%	0%
receiving a bonus			
Proportion of female employees	0%	0%	0%
receiving a bonus			

<sup>\*</sup>As of April 2022

3.2 We have chosen to compare ourselves with similar organisations such as Care Quality Commission (CQC) and Nursing and Midwifery Council (NMC) who have also participated in reporting and already published their 2022 figures. We will continue to assess our gaps with similar organisations as publication of their figures takes place. Some of our fellow regulators fall below the mandatory staffing numbers so do not regularly report their gender pay gap.

<sup>&</sup>lt;sup>3</sup> Estimates for 2022 data are provisional

# Section Two – All Employees excluding Partners

This section includes all information and analysis is not required by government reporting, and includes separate calculations for employees only.

4.0 As explained in section 1.2, 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	2022
Mean gender pay gap	12.79%	5.27%	0.60%	6.14%	18.89%
Median gender pay gap	6.88%	0%	0%	0%	12.3%

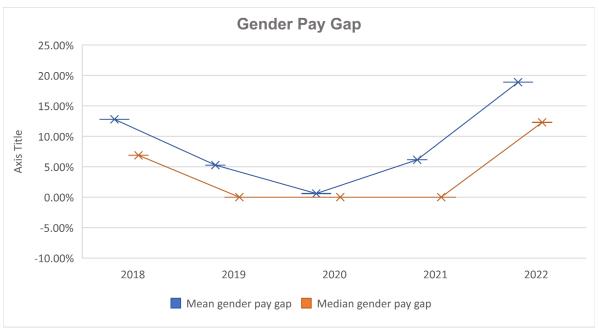


Table 6 – Pay Gap Reporting (employee only) – Year on Year comparison

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

5.1 The percentage of females within the upper and lower middle quartiles has decreased compared to last year, however the number of females in the upper middle and lower quartiles has increased, therefore will look to maintain the support and initiatives to support the appointment of females to mid-level roles.

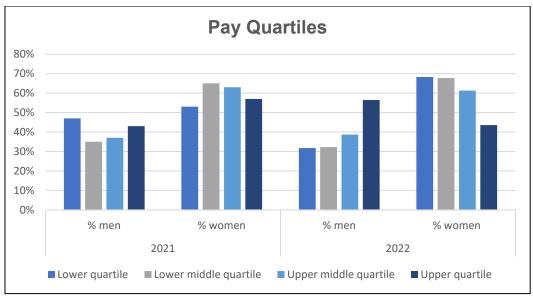


Figure 7 - Gender breakdown across quartiles (employee only) - Year on Year comparison

## 5.2 Employee numbers by pay band

Pay Band	Number of Employees
Apprentice	4
Band B	18
Band C	59
Band D	92
Band E	61
Band F	0
IT Band 1	2
IT Band 2	3
ELT	4
Total	249

# 6.0 What are the underlying causes of HCPC's gender pay gap for its employees?

- 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 currently reviewing their pay structure, and whilst this alone will not maintain a reduction in the gaps, it will continue to reduce the risks of unfair disparity.
- 6.2 The key contributor to the HCPC's gender pay gap for employees is that there are comparatively more women in roles in lower pay bands than men.

  However, HCPC has a larger female workforce and are higher in numbers

across all of the quartiles, especially in both lower and upper quartiles, therefore on average females have a higher hourly rate. In table 5 below, the contribution section, shows how a given sub-category (i.e. Quartile) contributes in percentage points towards the mean pay gap.

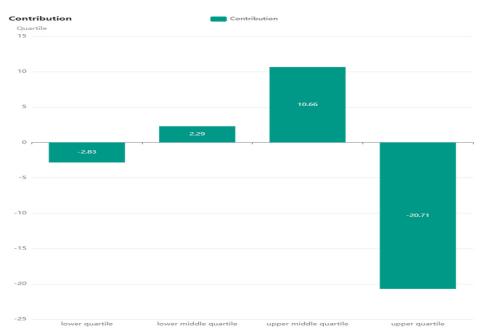


Table 5 – Contribution to Mean Gap

6.3 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 maintain a reduction of the gap.

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

- 7.1 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 7 above. However, HCPC has a larger female workforce and are higher in numbers across all of the quartiles, especially in both lower and upper quartiles, therefore on average females have a higher hourly rate.
- 7.2 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 high earners, particularly in niche roles which may be male dominated on the open market. A small portion of HCPC employees are part-time (less than 35 hours per week), 90% of whom are

- female; HCPC's workforce is 63% female and despite higher earners within that workforce tend to be at Executive and IT level of which are all men.
- 7.3 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.
- 7.4 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.
- 7.5 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. Moreover, we have amended our Flexible Working Policy to support applications for flexible working as a day one right, which may increase our employer brand to attract more diverse talent.
  - 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.
  - Provided all employees with mandatory EDI training.
  - Implementing changes to our Pay Structure.

- Introduced leadership coaching and development for senior women.
- Delivery of the Aspiring Leaders programme support the progression of under-represented groups to managerial positions.
- Delivery of a Beyond Barriers mentoring scheme to support underrepresented groups with 1-1 career support.
- Delivery of the Aspiring Leaders programme support the progression of under-represented groups to managerial positions.
- 7.6 During the financial year 2023/2024 we plan to:
  - Enhance our employer brand to attract more diverse talent.
  - Introduce more values-based questions and skill-based assessments to assess suitability for the role and to reduce unconscious bias.
  - 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.
- 7.7 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.

April 2023