# People Resource Committee 15 September 2021



# Gender Pay Gap and Ethnicity Pay Gap Reports

#### **Executive Summary**

The two enclosed papers outline the HCPC gender and ethnicity pay gap report 2020. All employers with 250 or more employees are required to publish their gender pay gap data every year under new legislation that came into force in April 2017. The data must be provided for the snapshot date of 5 April 2020. While there is currently no legal requirement to publish ethnicity pay gaps, we are doing so in line with our ambition to be an inclusive regulator, placing equality, diversity and inclusion at the heart of what we do.

#### **Gender Pay Gap**

The gender pay gap is defined as the difference between the average hourly pay of female and male colleagues. In 2020 we continued work on reviewing the way we pay our people. Through this work we have reduced our mean pay gaps and continued to have 0% median gap.

The report provides the following:

- Definition of the gender pay gap
- The HCPC gender pay gap
- The underlying causes of the HCPC gender pay gap
- What HCPC is doing to address this gap.

HCPC's mean pay gap is 2.98% including partners (-2.95% in 2019). When we exclude our partners, our mean pay gap is 0.60% (5.27% in 2019). HCPC's median pay gap remains as 0% (0% in 2019). Although this is positive news, we are still ambitious and committed to reducing our mean pay gaps even further in 2021. The reduction in the mean pay gap when we exclude partner data is due to some of the actions taken previously:

- 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;
- Continued to provide recruiting managers with anonymised applications to avoid unconscious bias in sifting;
- 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 promotion.

Whilst the gender pay gap (including both employees and partners) is relatively low compared to other organisations, the key reason for HCPC's gender pay gap is that there are comparatively more women in roles in lower pay bands than men. Though HCPC has a larger female workforce and are higher in number across each quartile, on average males have a higher hourly rate across each pay band. Therefore, despite being fewer in number, overall, their salaries tend to be somewhat higher.

#### **Ethnicity Pay Gap**

Although not legally required to publish, HCPC is committed to being an inclusive employer and so we have decided to publish our ethnicity pay gap and ensure that initiatives in place to achieve positive results and improve our processes in the future. This is the first year HCPC has published our ethnicity pay gap results. The ethnicity pay gap is the difference between average hourly pay rates for Black, Asian and minority ethnic employees compared to White employees. The data is as of 5 April 2020 and we have matched the methodology we use to report our gender pay gap.

HCPC are publishing both the reports at the same time to identify the challenges holistically and set out what we are doing to address them. We hope that reviewing them together will support us to be the type of employer we want to be as set out in our corporate strategy 2021-2026, to be a high performing regulator which delivers forward-looking regulation underpinned by strong data, collaboration and compassion.

HCPC's mean ethnicity pay gap is 17.31% and median ethnicity pay gap is 15.82%. HCPC is committed to doing everything that it can to reduce the ethnicity pay gap. The main reason for our ethnicity pay gap is that there are comparatively more ethnic minority employees in roles in lower pay bands and comparatively fewer in higher pay bands. Therefore, our main aim over time is to attract more ethnic minority employees into senior and managerial roles. The key actions we are taking to address this are set out in 'next steps' below.

Previous consideration

Both reports have been considered by the Executive Management Team in September 2021 and has been approved.

Decision

The Committee is asked to note the report no decision is required.

Next steps

Further actions on how to reduce the HCPC gender pay gap and ethnicity pay gap have been planned for and these will be reviewed in line with departmental plans.

• Enhance our employer brand through a number of different

- 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
- As we continue to embed our values, we will introduce more values-based questions and skill-based assessments to assess suitability for the role and further reduce unconscious bias
- Launch HCPC's first mentoring programme
- Launch 'Aspiring Leaders' Programme
- We will continue to train our managers to understand and address implicit bias, to recognise and challenge microaggressions in the workplace
- As part of our leadership programme, we will reflect the importance of being an ally and actively listen to people's concerns and lived experiences.
- Publish these reports on the government website and HCPC website

# Strategic priority

Strategic priority 5; Build a resilient, healthy, capable and sustainable organisation

# Financial and resource implications

Actions for this year have been included in 2021/2022 work plan and associated budget.

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# **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.

# 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:

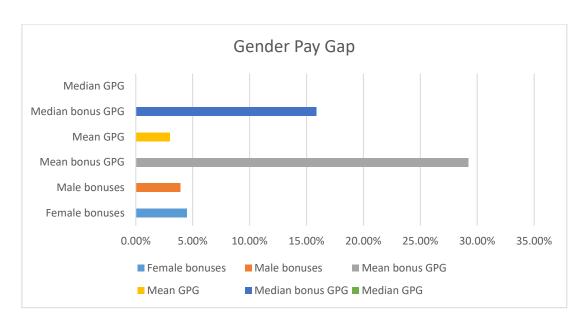
- 1. The mean gender pay gap
- 2. The median gender pay gap
- 3. The mean bonus gender pay gap
- **4.** The median bonus gender pay gap
- **5.** Proportion of males receiving bonus
- **6.** Proportion of females receiving bonus
- **7.** The proportion of males and females in quartile bands

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

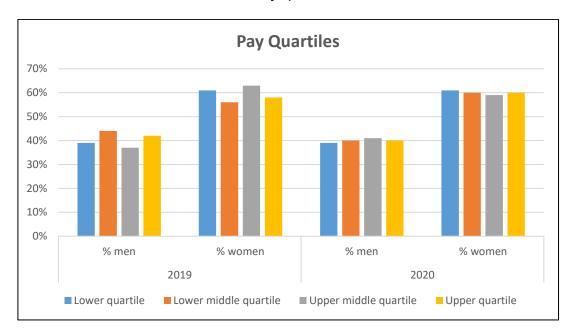
- 3.1 The figures set out below have been calculated using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.
- 3.2 The calculations cover "relevant employees". For the purposes of the Regulations, the definition of an "employee" is very broad and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



	2019		2020	
Pay Quartile	% 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 <a href="website">website</a>. 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	HCPC	HCPC
		statutory	statutory	statutory
		calculation	calculation	calculation
Mean gender	12.9%	3.78%	-2.95%	2.98%
pay gap				
Median gender	11.1%	0%	0%	0%
pay gap				

<sup>\*</sup>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	3.91%	68.7%	0%
receiving a bonus			
Proportion of female employees	4.49%	72.1%	0%
receiving a bonus			

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.

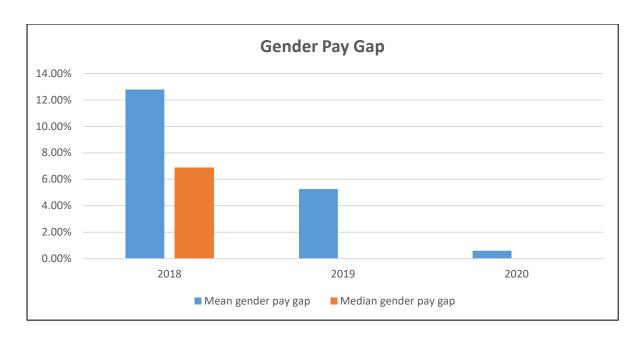
# 8. Partner population and gender pay gap

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

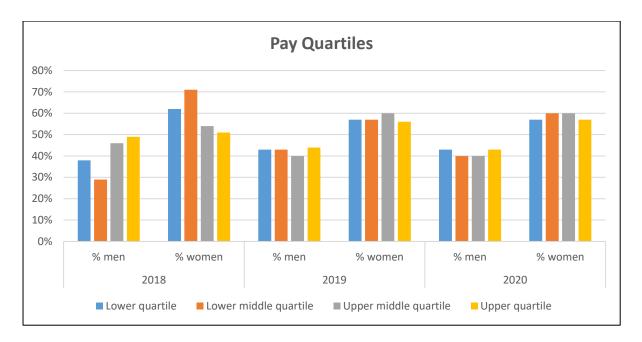
9.1 As explained in section 3, we have a legal obligation to include HCPC Partners in our gender pay gap calculations. However, we carried out a separate set of calculations for employees only, because there is much more variation amongst pay rates for employees than for partners. The calculations for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



	2018		2019		2020	
Pay Quartile	% %		%	%	%	%
	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.
- 10.2 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.
- 10.3 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.
- 10.4 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



# **HCPC Ethnicity 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 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 ethnicity pay gap. 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 and continually improve. 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.
- 1.3 We are committed to improving our ethnicity pay gap by continuing to look at how we increase recruitment or progression into our higher salary roles. We want our people to thrive and have the best experience working with us. We are committed to being an inclusive employer and we encourage learning and development that supports everyone to build a career. We understand how important it is for HCPC to address core concerns about career opportunities and progression in order for our organisation to be a place where colleagues feel a true sense of belonging and are satisfied that they can reach their full potential at work. We are reviewing recruitment and career progression processes to ensure equality of opportunity and continue our work on removing unconscious bias from the recruitment process.
- 1.4 Following the same guidelines as the gender pay gap report, the data considered here is 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 a total number of 217 employees.

# 2. Definition of ethnicity

- 2.1 Ethnicity can have many different meanings and interpretations to different people. We recognise and respect the different ways people would like to describe themselves, their background, culture or race. For the purposes of the statistical analysis we are publishing in this document, we have aligned our approach to categories set out in the government's <u>national approach</u> by the Office for National Statistics (ONS). We hope taking this approach will help support transparency and consistency.
- 2.2 For the purposes of this report we have used the ONS's 5 high level categories:<sup>1</sup>
  - 1. White
  - 2. Mixed/Multiple Ethnic Groups
  - 3. Asian/Asian British
  - 4. Black/African/Caribbean/Black British
  - 5. Other Ethnic Group

The quality of our data on ethnicity is reliant on employees' self-classification. 10% of our employees selected 'prefer not to say', so this means that analysis in this report should be treated with caution and may not be conclusive. Nonetheless, on balance we believe it is appropriate to publish as we have ethnicity data for 90% of our employees. We hope ongoing transparency will help to support greater disclosure.

#### 3. What is the ethnicity pay gap?

- 3.1 The ethnicity pay gap is the difference between average hourly pay rates for Black, Asian and minority ethnic employees compared to White employees.
- 3.2 Based on the <u>Government's consultation report</u> surrounding Ethnicity Pay Gap, they suggest reporting on the following, all of which have been included within this report:-
  - One pay gap figure comparing average hourly earnings of ethnic minority employees as a percentage of white employees

14 of 23 PRC 18/21 15 September 2021

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<sup>&</sup>lt;sup>1</sup> Please note that we have used a more granular approach for our <u>registrant diversity data analysis</u>, which is very much a larger group.

- Several pay gap figures comparing average hourly earnings of different groups of ethnic minority employees as a percentage of white employees
- Ethnicity pay information by pay band or quartile
- 3.3 It is important to note that the ethnicity pay gap is not the same as equal pay. Whilst equal pay refers to paying employees for conducting the same or similar work of equal value, ethnicity pay gap analysis compares what ethnic minority employees earn compared to White employees and does not look at like-for-like roles. Therefore, an organisation may have equal pay but still have an ethnicity pay gap.
- 3.3 However, an ethnicity pay gap figure can provide some insight into disparities. Further investigation into the data can indicate the causes of ethnicity pay gap, the level of career progression and other equality issues.

#### 4. What is HCPC reporting?

To align with our approach to the gender pay gap we will report on the following:

- 1. The mean ethnicity pay gap
- 2. The median ethnicity pay gap
- 3. The mean bonus ethnicity pay gap
- 4. The median bonus ethnicity pay gap
- 5. Proportion of White employees receiving bonus
- 6. Proportion of ethnic minority employees receiving bonus
- **7.** The proportion of White employees and ethnic minority colleagues in quartile bands

#### 5. How were the ethnicity pay gap figures calculated?

- 5.1 The figures set out above have been calculated using the standard methodologies as per the gender pay gap analysis, following best practice based on CIPD's own ethnicity pay gap reporting, as well as suggestions from the Government's consultation report (referenced above).
- 5.2 For the purpose of this report, we have excluded HCPC partners in the calculation as they are not considered to be employees or workers for any purpose except for the gender reporting pay gap where they are legally required to be categorised as a "relevant employee".

#### 6. What is HCPC's ethnicity pay gap?

6.1 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 the snapshot date, 5 April 2020. We do not have a national figure as there is currently not a legal obligation to report the ethnicity pay gap, we have therefore chosen to compare ourselves with similar organisations such as Competition and Markets Authority (CMA) and Nursing and Midwifery Council (NMC) who have also participated in the reporting.

	HCPC	CMA	NMC
Mean	17.31%	29.3%	28.7%
Median	15.82%	34.8%	27.1%

- 1. The mean bonus ethnicity pay gap for HCPC is 15%.
- 2. The median bonus ethnicity pay gap for HCPC is 3%.
- **3.** The proportion of White employees in the HCPC receiving a bonus is 6%.
- **4.** The proportion of ethnic minority employees in the HCPC receiving a bonus is 3%.
- **5.** Pay quartiles by ethnicity see table 6.2
- 6.2 Distribution of white and ethnic minority employees by quartile

Pay Quartile	White	Ethnic Minority
Lower quartile	51%	49%
Lower middle quartile	39%	61%
Upper middle quartile	63%	37%
Upper quartile	63%	37%

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

- 7.1 Of the 90% of employees that disclosed their ethnicity, 41% told us that they are from an ethnic minority background. The largest proportion of the HCPC workforce is of white ethnicity (49%). 41% are from ethnic minority backgrounds and 10% have not disclosed their ethnicity.
- 7.2 HCPC's mean ethnicity pay gap is 17.31%. Mean averages are useful because they place the same value on every number they use, giving a good overall indication of the ethnicity pay gap. However, very large or small pay rates can dominate and distort the answer as can the proportion of white and ethnic minority colleagues within the workforce.

- 7.3 The gap can be explained by where ethnic minority employees can be found in our pay band structure. More white employees can be found within the higher pay bands compared to ethnic minority employees.
- 7.4 HCPC's median ethnicity pay gap is 15.82%. Median averages are useful to indicate what the 'typical' situation is in the middle of an organisation and are not distorted by very large or small pay rates.
- 7.5 HCPC does not pay bonuses to employees, however, as part of government guidelines, a bonus includes non-consolidated (one-off, non-pensionable) payments which relate to productivity, performance and incentive, etc.

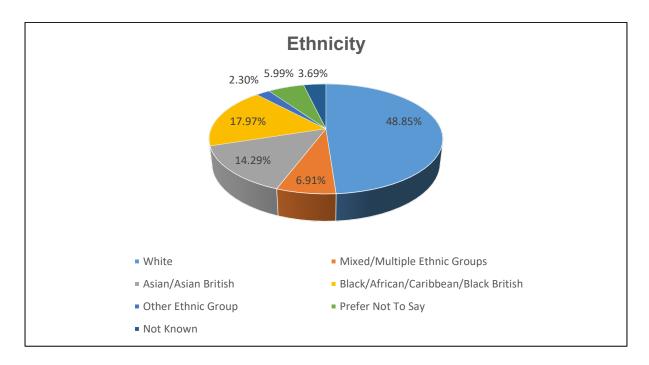
  Therefore, under this definition we have included data relating to bonus payments (Employee of the Year Award and Retention Awards) received during the 12-month period ending with the snapshot date i.e. April 2019 April 2020. During the year, 17 retention payments and 3 Employee of the year award payments were made which would be considered as bonus payments as they full outside the normal pay.
- 7.6 HCPC's mean bonus ethnicity pay gap is 15%. Whilst this would suggest that white employees are more likely to receive a higher bonus than ethnic minority employees. Given that the awards were a combination of a same pay award and/or based on a percentage of their salary, those occupying roles within higher pay bands would have had a larger bonus. Therefore, the variation in salaries likely explains the bonus pay gap.
- 7.7 HCPC's median bonus ethnicity pay gap is 3%. This would suggest that that the midpoint ranges of the bonus paid is higher for white employees compared to ethnic minority employees.
- 7.8 The proportion of white employees receiving a bonus is 6% compared to 3% of ethnic minority employees which means white employees are twice as likely to receive a bonus compared to their ethnic minority colleagues but are also more likely to receive a higher paid bonus given the higher salaries as the bonuses paid were based on a percentage of an employees' salary.
- 7.9 The data for pay quartiles shows that there are relatively higher numbers of ethnic minority employees than white employees in roles on lower pay bands in the organisation. This distribution is the primary reason for HCPC's ethnicity pay gap.

#### 8. Pay gaps by Ethnicity

8.1 Given the different ethnicities within HCPC's workforce, we have carried out further breakdowns across the five categories as mentioned in 2.2. This

allows us to understand any variation amongst pay rates within different groups. We have also provided figures taking intersectionality into account (race and gender).

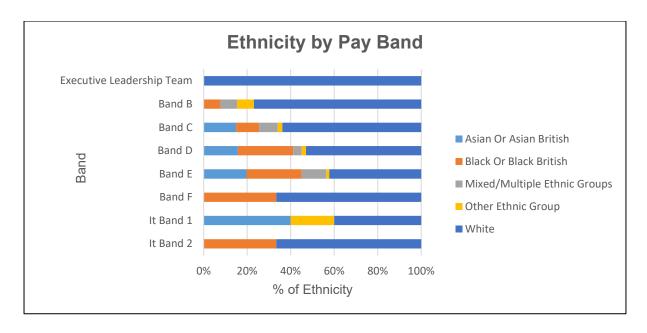
8.2 Below is a visual representation of the breakdown of ethnicities. Nearly half of the employees are from a White background, followed by Black, Asian, Mixed and Other ethnicities.

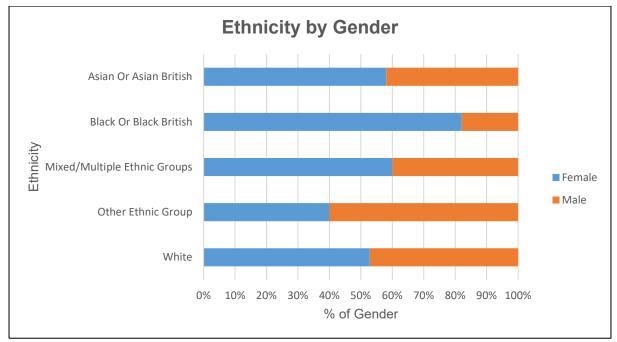


# 8.3 Average hourly pay across the five categories

Ethnicity	Average Hourly	Mean Pay	Median
	Pay	Gap	Pay Gap
Other Ethnic Group	£24.29	-5.64%	-37.49%
White	£23.27	-	-
Mixed/Multiple Ethnic Groups	£19.99	14.12%	13.50%
Asian/Asian British	£19.27	17.21%	15.66%
Black/African/Caribbean/Black British	£18.25	21.57%	17.74%

#### 8.4 Ethnicity, Gender and Pay Bands

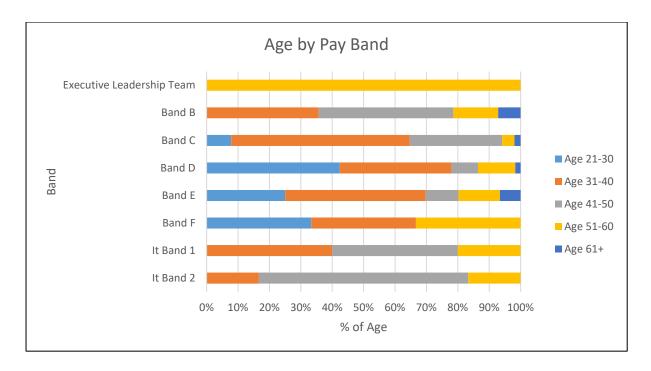


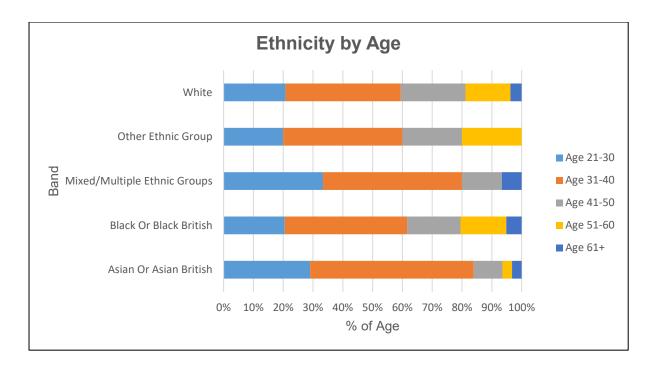


- 8.5 HCPC has a largely female workforce, therefore across each category there are a greater number of females than males except for the Other Ethnic Group.
- 8.6 Though the average hourly pay is not the highest for white employees, a higher proportion of white females and males occupy the higher pay bands at senior and managerial levels. Despite a higher number of females, white males are more likely to occupy higher pay bands except the Executive Leadership Team.
- 8.5 The average hourly pay for an employee of a black background is lower than that of any other ethnicity, despite being larger in number within the ethnic

- minority categories. This is because the vast majority of black female employees occupy roles within lower pay bands. For every pound (GBP) a White employee earns, a black employee earns 0.78 pence.
- 8.6 The second lowest paid ethnic group is the asian category where a similar number of females and males occupy mid-level/niche pay bands (such as Information Technology pay bands) but are not present within senior and management roles. For every pound (GBP) a white employee earns, an asian employee earns 0.83 pence.
- 8.7 This is closely followed by employees from a mixed/multiple ethnic background who occupy roles within higher pay bands. A greater number of females can be found within the higher pay bands, compared to males who are distributed across the pay bands. For every pound (GBP) a white employee earns, a mixed/multiple ethnic employees earns 0.86 pence.
- 8.8 Interestingly, HCPC employees from an other ethnic background are the highest average earners with a negative mean and median pay gap, as they tend to occupy roles in the higher pay bands usually at senior and management levels. In terms of gender, both females and males occupy roles across each pay band.

#### 8.10 Ethnicity, Age and Pay Bands





- 8.11 The majority of employees are within the 31 40 age range. They tend to occupy mid-to-low level pay bands and are mainly of a White background followed by Asian and/or Black employees.
- 8.12 Employees within the 41 50 age range occupy the higher or niche pay bands and are usually from a White background. Between 51 60, employees tend to occupy the mid-to-low level pay bands and are also of the same background.
- 8.12 Employees within the 21 30 range mainly occupy the mid-to-low level pay bands and are mainly of a White background, followed by Asian and Black employees.

#### 9. What are the underlying causes of HCPC's ethnicity pay gap?

9.1 The key reason for HCPC's ethnicity pay gap is that there are comparatively more black, asian and minority ethnic employees in roles in lower pay bands than White employees and there are nearly twice as many White employees in the Upper quartiles than there are black, asian and minority ethnic employees. This is shown in the quartile information in section 6.2 above.

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

10.1 HCPC is committed to doing everything that it can to reduce the ethnicity pay gap. The main reason for our ethnicity pay gap is that there are comparatively more ethnic minority employees in roles in lower pay bands and

comparatively fewer in higher pay bands. Therefore, our main aim over time is to attract more ethnic minority employees into senior and managerial roles.

#### 10.2 In order to support this aim we have already:

- Continued to provide recruiting managers with anonymised applications to avoid unconscious bias in decision making.
- Made online live bias training mandatory to all recruiting managers to reduce bias in recruitment.
- Established an internal EDI employee representative group.
- Recruited for roles focused on EDI, Culture and Change to develop our commitments to EDI across the organisation.

#### 10.3 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.
- Look at how we increase recruitment or progression into our higher salary roles.
- Launch 'Beyond Barriers', HCPC's first inclusive mentoring programme. This means there will be pool of mentors within HCPC who will provide mentoring provision to support personal and professional development and career progression at HCPC. It is a development opportunity for mentors who will offer one-to-one impartial guidance and support, encouraging mentees an opportunity to succeed, to grow, develop and fulfil their potential, regardless of their background. We aim for the mentee pool to represent all sections of the workforce i.e. from traditionally underrepresented groups and ethnic minority employees particularly at mid/senior manager level. The mentor pool will also be a diverse pool representing all sections of our workforce. Mentees will benefit from personal and professional development, improving their confidence and career prospects at HCPC and outside. We hope this programme will contribute to HCPC being an employer of choice, improve our employer brand, improve retention and develop high potential people from ethnic minorities and other underrepresented groups to move up the career ladder.
- We will be launching the 'Aspiring Leaders' Programme. This will
  focus on developing employees who are not currently managers
  with the relevant skills to becoming managers. We will aim to attract
  staff from diverse backgrounds.
- We will continue to train our managers to understand and address implicit bias, to recognise and challenge micro-aggressions in the workplace.

- As part of our leadership programme, we will reflect the importance of being an ally and actively listen to people's concerns and lived experiences.
- 10.4 None of these measures will reduce the ethnicity pay gap immediately and it may take several years before there is a significant impact. In the meantime, HCPC is committed to continuing ethnicity pay gap reporting and reviewing this regularly, as well as continually reviewing and improving our action plan to address ethnic minority pay disparities.

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