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## HCPC Pay Gap Reports - 2023

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### Executive Summary

Enclosed are the HCPC's 2023 gender and ethnicity pay gap reports, a mandatory annual disclosure for employers with 250 or more employees under legislation enacted in April 2017. While there is no legal obligation to report ethnicity pay gaps, for the past four years the HCPC has voluntarily disclosed this information in alignment with our commitment to placing equality, diversity, and inclusion at the core of our organisational values.

### Gender Pay Gap

The gender pay gap (GPG) is the hourly pay difference between female and male colleagues. It can be measured in different ways.

The HCPC's **mean pay gap**, including partners, is **-11.32% (-10.58% in 2022<sup>1</sup>)**, indicating that, on average, women receive higher pay than men. The **median (the midpoint in the range of all the different salaries we pay)** stands at **0%**.

However, excluding partners, the mean pay gap shows a statistically significant reduction from last year: moving to **15.95% (18.89% in 2022)**, demonstrating that male employees, on average, receive higher compensation than their female counterparts. The **median is 14.25%** moving from **12.3%** in 2022.

### Ethnicity Pay Gap (EPG)

The HCPC's **mean ethnicity pay gap** is **26.12% (23.62% in 2022)**, with a **median gap of 18.6% (17.85% in 2022)**.

The main factor contributing to the ethnicity pay gap is the uneven distribution of employees from ethnic minority backgrounds across different pay bands, resulting in a higher concentration in lower bands and a lower representation in higher bands.

The HCPC continues to be committed to reducing the ethnicity pay gap by attracting more ethnic minority employees into senior and managerial roles.

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Previous consideration	Previous <a href="#">annual reports</a> have been reviewed by ELT and PRC prior to them being published.
Decision	The Committee is asked to note the report (no decision is required).

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<sup>1</sup> Published figures as at 1 April 2023

Next steps	Further actions to reduce the HCPC's gender pay gap and ethnicity pay gap have been planned for and these will be reviewed in line with the People Strategy, EDI action plan and departmental workplans.
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 the 2024-2025 work plan and associated budget.
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## HCPC Pay Gap Reports 2023

### *Foreword*

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Welcome to the HCPC's Pay Gap Reports using data from April 2023. Our commitment to [Equality, Diversity, and Inclusion \(EDI\)](#) is integral to our vision of being recognised as an actively anti-discriminatory organisation that champions best practices in equality, diversity, and inclusion. This vision aligns with our [Corporate Strategy 2021-26](#) and our Values, which have EDI at their core.

EDI is fundamental to the HCPC's role as a high-performing compassionate regulator, ensuring public protection through evidence-based regulation. In this report, we provide an analysis of our gender and ethnicity pay gaps. This data is presented for the snapshot date of 5 April 2023, covering 277 employees and 288 partners. We adhere to the government's gender pay gap reporting requirements for all employees, including partners, and separately report on our employees, excluding partners.

Additionally, we continue to report on our ethnicity pay gap, going beyond legal requirements in line with our commitment to transparency and our strategic ambitions. While not legally required, analysing and publishing data on both gender and ethnicity pay gaps allows us to identify areas for improvement and contribute to important discussions on challenges faced by ethnic minority communities within the workforce.

Our ambition, as outlined in our [People Strategy](#), is to reduce our ethnicity pay gap and maintain a minimal gender pay gap. To achieve this, we will closely monitor our Key Performance Indicators (KPIs) and measure the impact in alignment with our People Strategy.

Thank you for engaging with our report. It reflects our dedication to transparency, accountability, and our ongoing commitment to fostering an inclusive workplace.

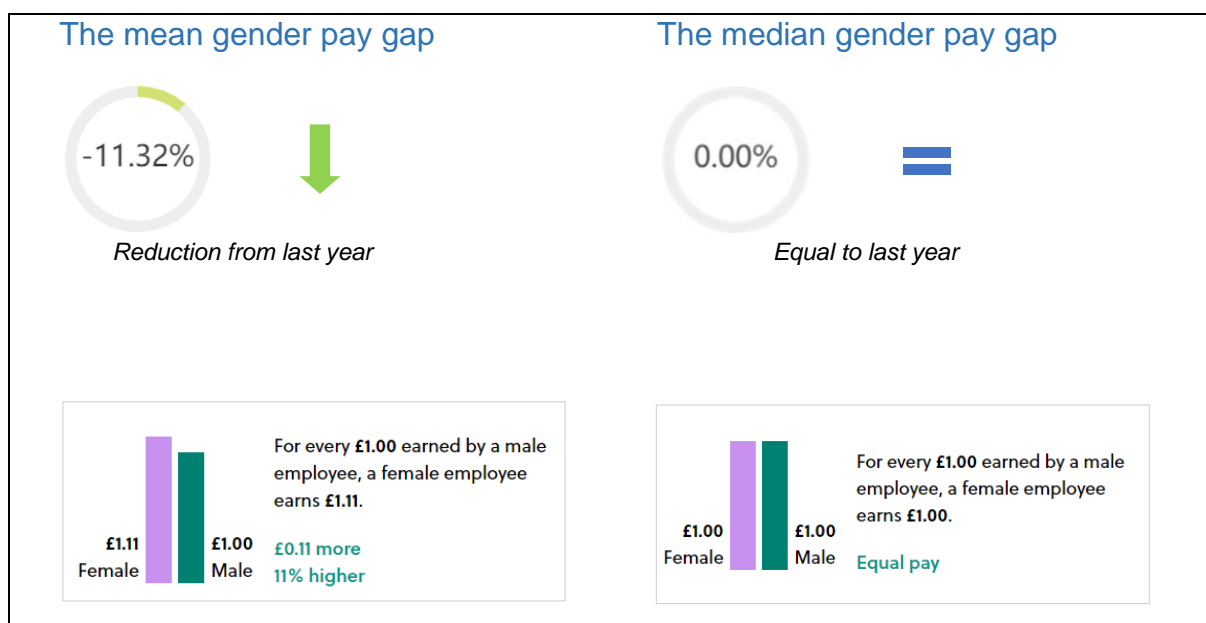
Bernie O'Reilly  
Chief Executive Director

## Section one – 2023 Gender Pay Gap - All Employees including Partners

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

### 1.0 What is the HCPC Gender Pay Gap?

1.1 This section sets out the key figures in 2023, making comparisons with the past years (figure 1) 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 2023. 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.

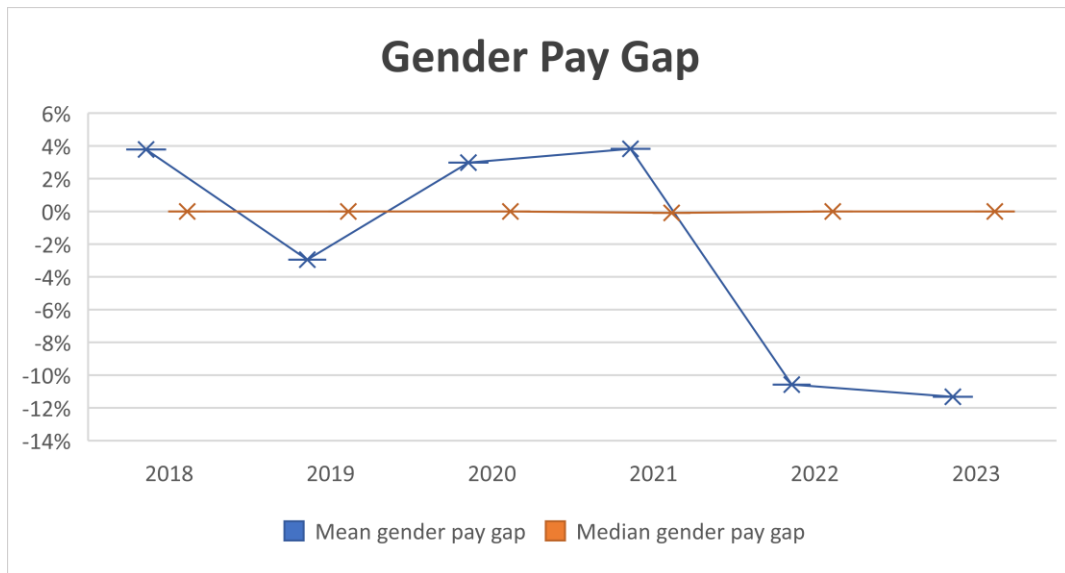


Figure 1 – Gender Pay Gap (GPG) over years (inclusive of Partners)

### 1.2 Distribution of men and women by quartile

Group	Mean Pay Males	Mean Pay Females	Pay Gap (mean)	Pay Gap (median)	Contribution to Pay Gap
Lower quartile	15.43	15.98	-3.61%	-7.41%	-2.06%
Lower middle quartile	24.92	24.57	1.39%	-0.51%	3.08%
Upper middle quartile	34.66	34.20	1.33%	0%	5.54%
Upper quartile	102.29	104.87	-2.52%	0%	-17.88%

### 1.3 Compared to 2022 there have been marginal changes within the quartiles:

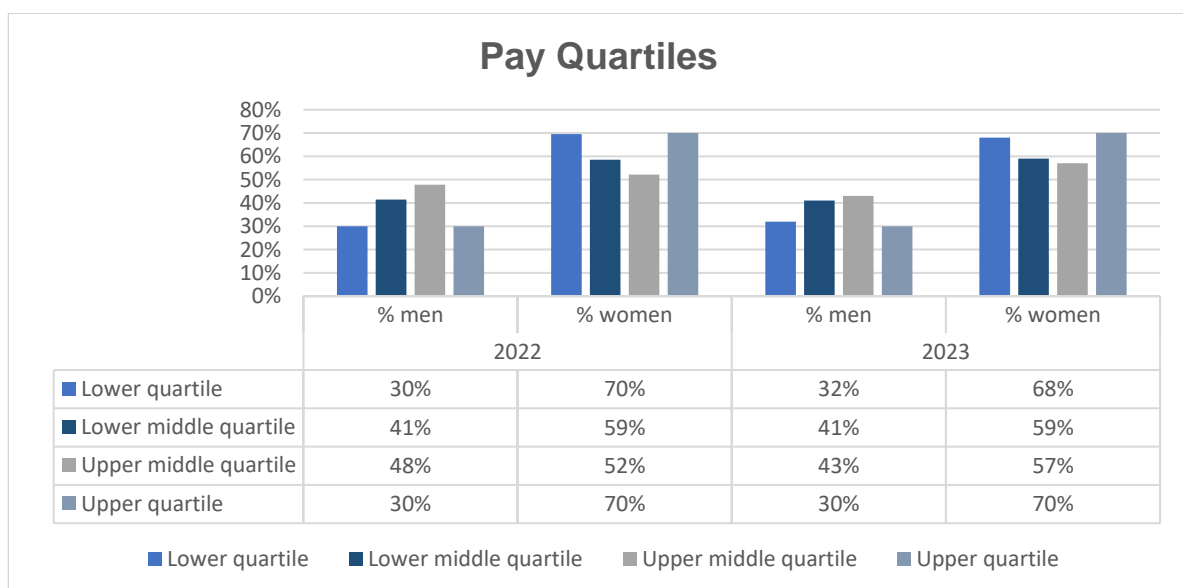


Figure 2 – Gender breakdown across quartiles – Year on Year comparison

Figure 3 – Gender pay gap across quartiles

- LQ 2% Increase in men; decrease in women
- LMQ no change
- UMQ 5% decrease in men; increase in women
- UQ no change

- 1.4 As per figure 2, over the years, the distribution of males and females has remained similar to last year, where we have noted a 30/70 split within lower and upper quartiles. The partner population possess a substantial percentage when looking at the three highest rates of pay across the partner pool, with females holding 72% of these positions. There is a 40/60 split in both lower middle and upper middle quartiles. However, there is more variation in the distribution across the quartiles when taking into account employees only.
- 1.5 The HCPC contracts approximately 633 partners, in 786 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.

## 2.0 What do the pay gap figures tell us?

- 2.1 The HCPC's **mean gender pay gap (including partners) is -11.32%**. 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 the HCPC's workforce and partners are 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 (72%) compared to male partners (26%). The HCPC has a higher number of female registrants than males as identified in the Registrant Diversity Data – November 2023 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 The 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 the HCPC's gender pay gap compare with other organisations?

3.1 The vast majority of organisations have a gender pay gap, and the HCPC's pay gap compares favourably with that of other organisations. In 2022 to 2023 reporting year, around 10,835 UK employers had published their gender pay gap report on the government's gender pay gap reporting website. In April 2023, the average mean gender pay gap was 13.13% and the average median gender pay gap was 11.96%.

	UK average <sup>1</sup>	HCPC statutory calculation					
	2023	2018	2019	2020	2021	2022	2023
<b>Mean</b>	13.13%	3.78%	-2.95%	2.98%	3.82%	-10.58%	-11.32
<b>Median</b>	11.96%	0%	0%	0%	0%	0%	0%

	HCPC	GPhC	NMC <sup>2</sup>
<b>Mean</b>	-11.32%	12%	6.2%
<b>Median</b>	0%	13%	12.7%
<b>Mean gender bonus pay gap</b>	0%	0%	0%
<b>Median gender bonus pay gap</b>	0%	0%	0%
<b>Proportion of male employees receiving a bonus</b>	0%	0%	0%
<b>Proportion of female employees receiving a bonus</b>	0%	0%	0%

*\*Figures published in April 2023*

3.2 We have chosen to compare ourselves with similar organisations such as the General Pharmaceutical Council (GPhC) and the Nursing and Midwifery Council (NMC), who have also participated in reporting and have already published their 2023 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>1</sup> Estimates for 2023 data are provisional.

<sup>2</sup> NMC have not yet published their 2023 figures. The figures stated are for 2022.

## Section Two – 2023 Gender Pay Gap - All HCPC 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** In addition to the above analysis, we have also carried out a separate set of calculations for employees only (excluding partners), 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	2023
Mean gender pay gap	12.79%	5.27%	0.60%	6.14%	18.89%	<b>15.95%</b>
Median gender pay gap	6.88%	0%	0%	0%	12.3%	<b>14.25%</b>

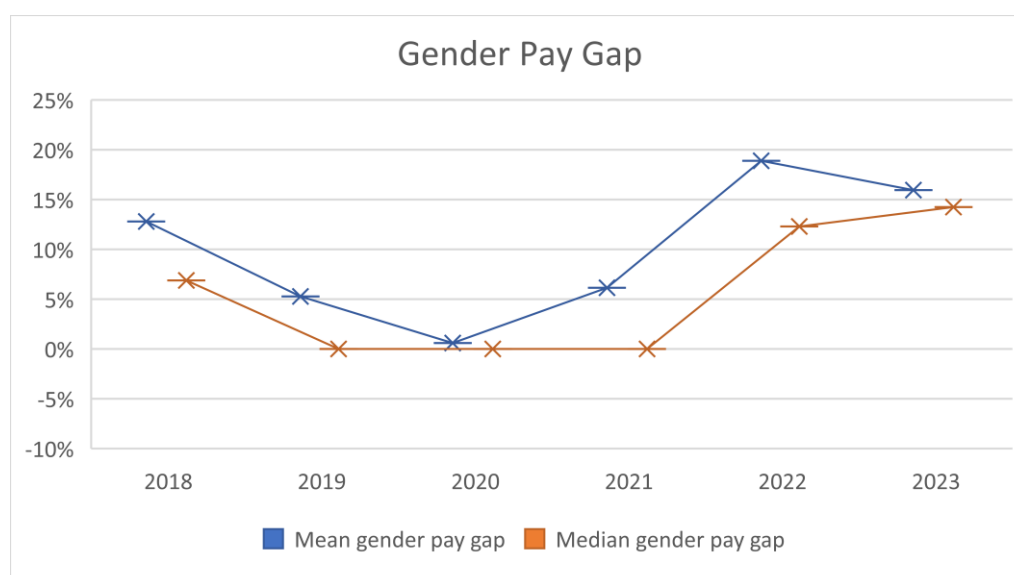


Figure 3 – Pay Gap Reporting (employee only) – Year on Year comparison

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

- 5.1** The percentage of females within the lower (-5%), upper middle (-2%) and upper quartiles (-2%) has slightly decreased compared to last year, however the number of females in the lower middle quartiles has increased (+6%), therefore we will look to enhance the support and initiatives to support the appointment of females to mid to high level roles.



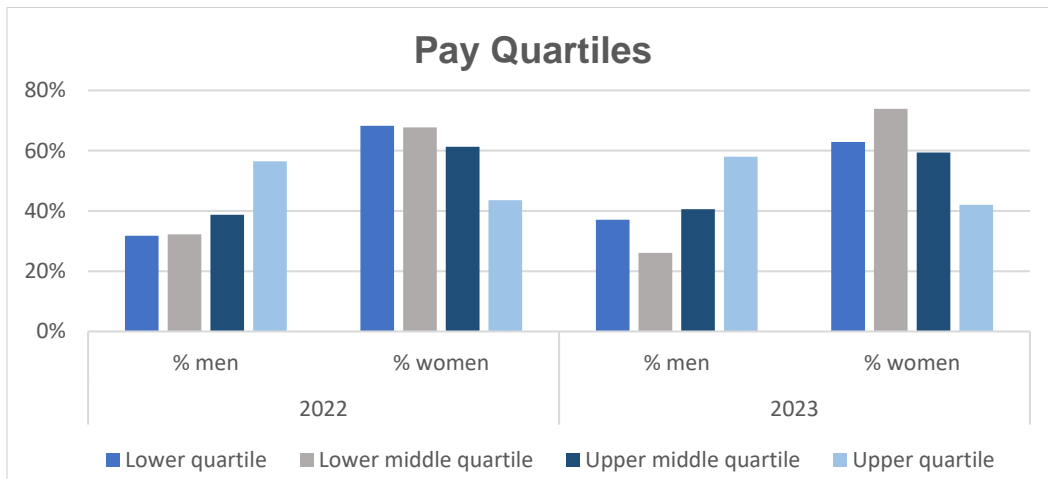


Figure 4 – Gender breakdown across quartiles (employee only) – Year on Year comparison

## 5.2 Employee numbers by pay band<sup>3</sup> and gender<sup>4</sup>

Pay Band	Number of Employees
Chief Executive	1
SMT	3
Band A	11
Band B	21
Band C	62
Band D	93
Band E	84
Apprentice	2
<b>Total</b>	<b>277</b>

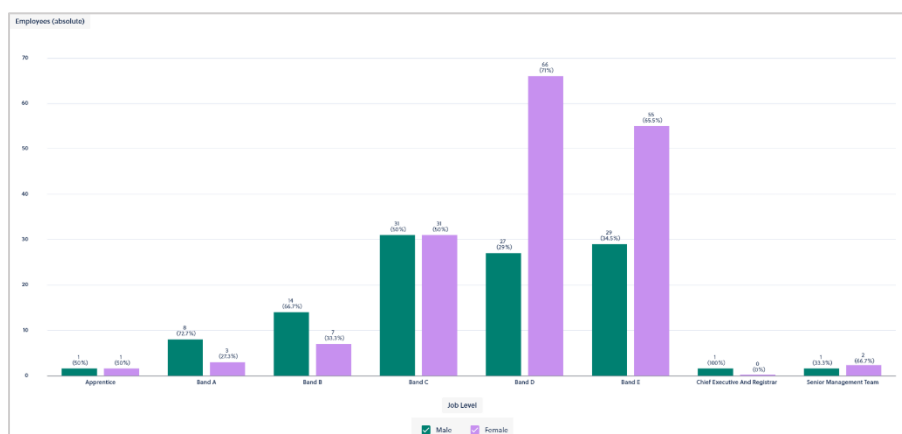


Figure 5– Employee numbers by pay band and gender

<sup>3</sup> New pay band restructure has been applied on 1 Apr 2023;

<sup>4</sup> We recognise that the requested data collection for statutory reporting purposes is binary, and that this does not reflect the identity of some of our colleagues. We are working to ensure our processes and policies are fully inclusive of trans and non-binary people and acknowledge that the nature of this report as a pay gap report to compare men and women may limit our understanding of pay gaps in relation to some trans and non-binary people. We have committed to disaggregating and cross-referencing this data further.

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

- 6.1 The 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.
- 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, the HCPC has a larger female workforce and women 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.
- 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 the HCPC to maintain a reduction of the gap.

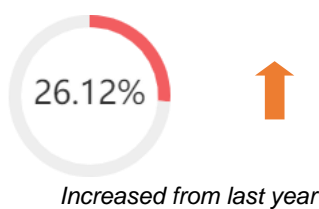
## Section Three – 2023 Ethnicity Pay Gap

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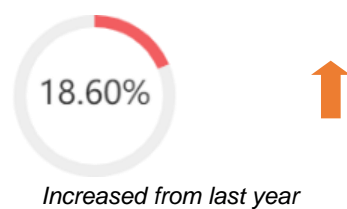
### 7.0 What is the HCPC's ethnicity pay gap?

- 7.1 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 2023.

#### The mean ethnicity pay gap



#### The median ethnicity pay gap



As per the gender pay gap report, we have also chosen to compare ourselves with similar organisations such as the Nursing and Midwifery Council (NMC) who have also participated in the reporting.

	2022		2023
	NMC	HPCP	HPCP
Mean	25.5%	23.62%	<b>26.12%</b>
Median	27.1%	17.85%	<b>18.60%</b>

## 7.2 Distribution of white and ethnic minority employees by quartile:

Pay Quartile	2022		2023	
	White	Ethnic Minority	White	Ethnic Minority
Lower quartile	44%	56%	29%	71%
Lower middle quartile	37%	63%	29%	71%
Upper middle quartile	65%	35%	61%	39%
Upper quartile	76%	24%	73%	27%

## 8.0 What do the pay gap figures tell us?

- 8.1** 90% of employees that disclosed their ethnicity, 47% told us that they are from an ethnic minority background (39% from last year). The largest proportion of the HCPC workforce is 43% of white ethnicity (49% from last year) and 10% have not disclosed or have stated unknown as their ethnicity (12% from last year), the latter of which have been excluded from the figures.
- 8.2** The HCPC's mean ethnicity pay gap is **26.12%**. 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.
- 8.3** 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, which remains from the past years; In the meantime, the proportion of ethnic minority employees increased to 15% within the lower pay band compared to last two years. As outlined in section 10, the HCPC are committed to supporting underrepresented employees in gaining experience and knowledge to progress to higher pay band role.

- 8.4 The HCPC’s median ethnicity pay gap is **18.6%**. 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.
- 8.5 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, on the contrary in roles on higher pay bands. This distribution is the primary reason for the HCPC’s ethnicity pay gap.

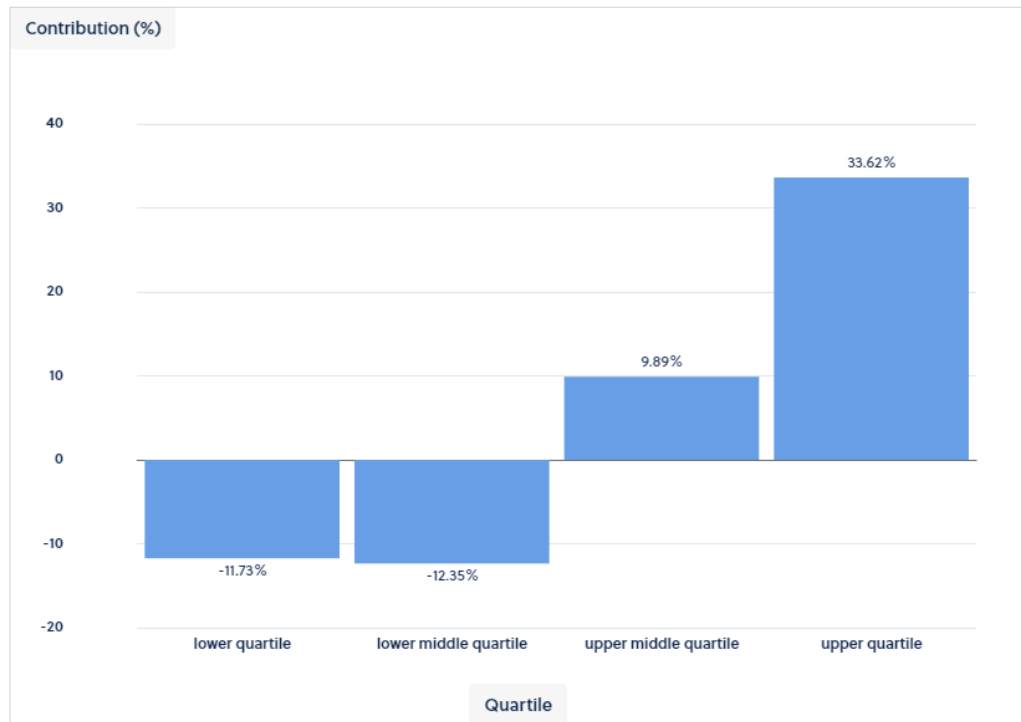


Figure 6 – Contribution of each quartile to the pay gap

## 9.0 Pay gaps by ethnicity

- 9.1 Given the different ethnicities within the HCPC’s workforce, we have carried out further breakdowns across the five categories. 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).
- 9.2 Average hourly pay<sup>5</sup> across the five categories

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<sup>5</sup> Salary sacrifice schemes of pension has been applied since October 2022, it would lower the average hourly rate of the employee who joined the scheme for this year, as it would be considered deduction from the basic salaries.

Ethnicity	Average Hourly Pay	Mean Pay Gap	Median Pay Gap
White	£24.94	-	-
Other Ethnic Group	£24.67	1.1%	4.3%
Mixed/Multiple Ethnic Groups	£19.48	21.89%	20.36%
Black/African/Caribbean/Black British	£17.91	28.19%	21.01%
Asian/Asian British	£17.68	29.11%	17.95%

### 9.3 Employee numbers by pay band<sup>6</sup>

Pay Band	Number of Employees
Chief Executive	1
SMT	3
Band A	11
Band B	19
Band C	56
Band D	77
Band E	80
Apprentice	2
<b>Total</b>	<b>249</b>

### 9.4 Ethnicity by Gender

The HCPC has a largely female workforce, which is 6:4 in total. Across each category there are either a similar or greater number of females than males.

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<sup>6</sup> New pay band restructure has been applied on 1 Apr 2023, the new pay band structure is made up of five pay bands (excluding ELT and Chief Executive bandings), with maximum and minimum levels set in line with market benchmarks. Individual roles and their salaries all sit within the appropriate band in this structure.

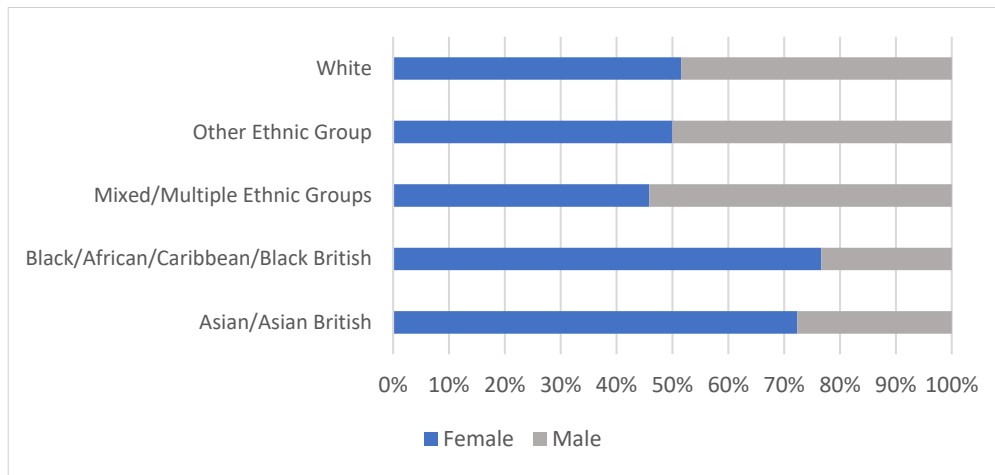


Figure 7 – Ethnicity by Gender

### 9.5 Ethnicity by pay band

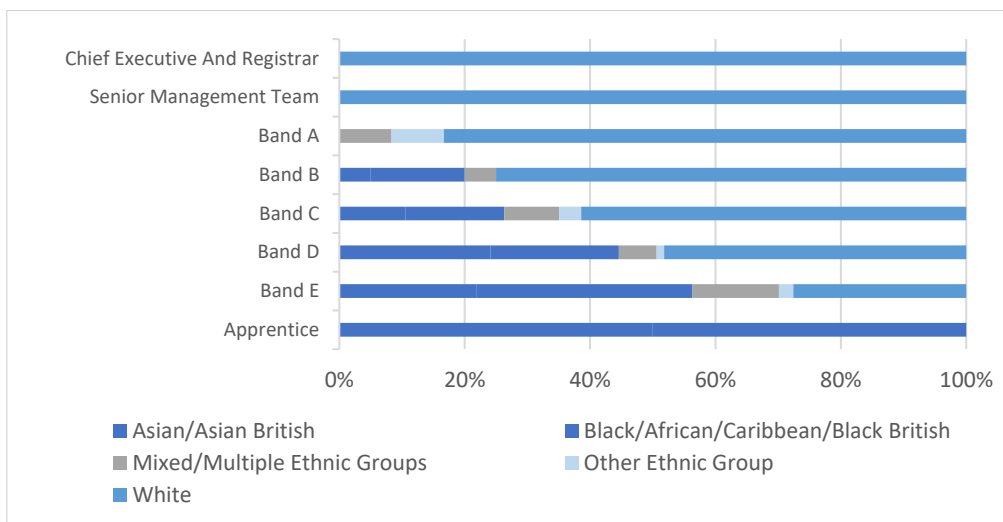


Figure 8 – Ethnicity by Pay Band

- 9.6 The average hourly pay for employees with a Black or Asian background has remained stagnant since the previous year, persistently lower than that of any other ethnicities. Black and Asian employees continue to be overrepresented in roles within lower pay bands. On average, for every pound (GBP) earned by a white employee, a Black employee earns 0.72 pence, and an Asian employee earns 0.71 pence.
- 9.7 Employees from a Mixed/Multiple Ethnic Groups background maintain a mid-range average hourly pay that remains unchanged from the previous year. On average, for every pound (GBP) earned by a white employee, a Mixed employee earns 0.78 pence.
- 9.8 The HCPC employees from other ethnic backgrounds continue to be the second-highest average earners, consistent with the previous year. On average, for every pound (GBP) earned by a white employee, employees from other ethnic backgrounds earn 0.99 pence.

**9.9** Sections 9.6 to 9.8 can be seen visually in Figure 9.

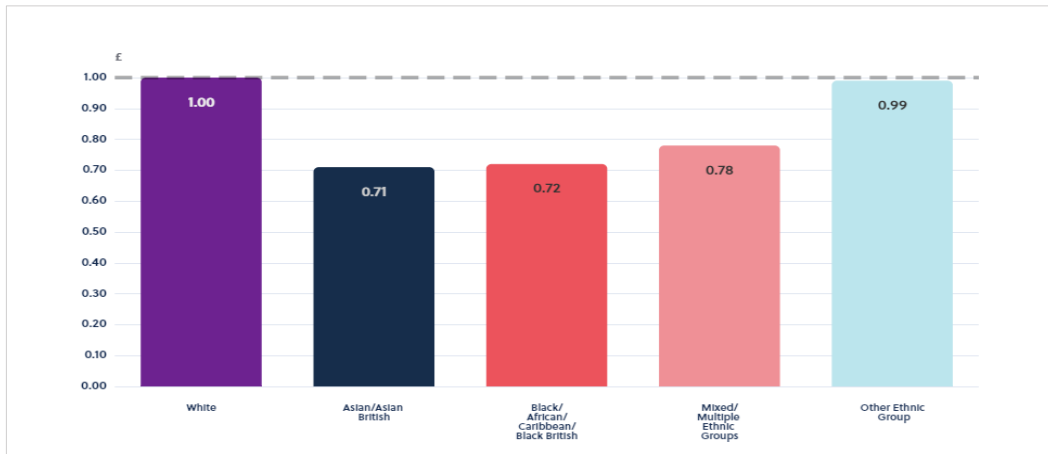


Figure 9 - For every £1.00 earned by a White employee, this is what other groups earn.

**9.10** It is crucial to highlight that when making comparisons based on pay data, the presence of a larger or smaller distribution of both employee numbers and salaries within a specific category can skew the overall distribution of earnings. Consequently, any conclusions drawn from such comparisons should be approached with caution.

Group	Mean Pay Whites	Mean Pay Ethnic Minority	Pay Gap (mean)	Pay Gap (median)	Percentage of Whites	Percentage of Ethnic Minority	Contribution to Pay Gap
Lower quartile	14.09	14.61	-3.69%	-6.41%	28.57%	71.43%	-11.73%
Lower middle quartile	17.48	16.91	3.23%	3.81%	29.03%	70.97%	-12.35%
Upper middle quartile	21.32	23.52	-10.33%	-11.57%	61.29%	38.71%	9.89%
Upper quartile	35.32	38.02	-7.63%	-23%	72.58%	27.42%	33.62%

**10.0 What is the HCPC doing to address its pay gaps?**

10.1 We acknowledge the necessity for substantive measures to address our pay gaps. Our efforts in this regard are built upon robust foundations established through both our People Strategy and EDI Strategy. While these strategies adopt a holistic approach, they delineate specific actions geared toward making notable strides, particularly in the areas of gender and ethnicity. These actions are directly aligned with our commitment to addressing gender and ethnicity pay gaps. Recognising that progress is a gradual process, we have outlined a series of actions that we anticipate will positively influence the recruitment, progression,

and retention of colleagues from under-represented groups over an extended period.

10.2 In April 2023, the HCPC conducted a comprehensive review of its pay structure. The revised pay structure, which is better aligned with market comparators and is characterised by increased simplicity and fairness to all employees, has contributed towards the anticipated reduction in the pay gap. The new pay band structure comprises five bands, with maximum and minimum levels aligned with market benchmarks. Individual roles and their corresponding salaries are now situated within the appropriate band in this structure. Adjustments have been made to certain individual roles, ensuring that everyone is at or above the new band minima. This measure reinforces equitable pay practices across the HCPC, aligning salaries with market rates and maintaining appropriate relativities relative to other HCPC roles.

10.3 In addition, other initiatives which have already been implemented are:

- Continued promotion of flexible working in all campaigns to enhance our appeal as an employer and offer a better work-life balance. Amendments to our Flexible Working Policy now support day-one applications for flexible working, potentially enhancing our employer brand and attracting more diverse talent;
- Mandated online unconscious bias training for all recruiting managers to mitigate bias in recruitment processes;
- Delivered mandatory bias training and the HR Essential Programme to all recruiting managers to minimise bias in recruitment;
- Maintained a compensation strategy that exceeds the voluntary 'real' Living Wage and externally benchmarked all salaries to ensure fairness and competitiveness;
- Continued to provide recruiting managers with anonymised applications to minimise unconscious bias in decision-making
- Conducted training for newer staff members participating in shortlisting or interview panels for the first time;
- Mandated Equality, Diversity, and Inclusion (EDI) training for all employees.
- Implemented changes to our pay structure;
- Introduced leadership coaching and development programs for senior women;
- Successfully executed the 'Beyond Barriers' inclusive mentoring program, yielding positive results for participants and the organisation;
- Launched the 'Reverse Mentoring Programme,' where senior leaders are mentored by a less experienced colleagues from a diverse background, fostering genuine awareness of workplace barriers faced by ethnically diverse and underrepresented groups;
- Upgraded the recruitment portal to be more accessible and appealing to a diverse range of applicants;



- Established an internal EDI employee representative group and an employee forum;
- Recruited for roles focused on EDI, Culture, and Change to strengthen our EDI commitments organisation-wide.

10.4 For the financial year 2024-2025, we plan to:

- Enhance our employer brand and values through various initiatives targeting increased diversity, including collaborations with universities and local communities;
- Introduce more values-based questions and skill-based assessments to assess suitability for roles and reduce unconscious bias;
- Review and improve our recruitment, promotion and progression of underrepresented employees;
- Review our advertisements and ensure all campaigns 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;
- Understand and learn from employee feedback gathered through pulse surveys, exit interviews, etc., to inform targeted interventions;
- Provide ongoing training for managers to understand and address implicit bias and to recognise and challenge micro-aggressions in the workplace;
- Review and assess the requirements necessary to increase recruitment or progression into higher-paying roles;
- Implementing positive action into our new management and leadership programmes from 2024 to support the progression of under-represented groups.

10.5 While acknowledging that none of the implemented measures will lead to an immediate reduction in the pay gaps, the HCPC remains steadfast in its commitment to the cause. Recognising the time required for a significant impact, which may span several years, the HCPC is unwavering in its dedication to ongoing pay gap reporting. The commitment extends to regular reviews, ensuring transparency and accountability. Concurrently, the organisation remains vigilant in the continuous evaluation and enhancement of its action plan, affirming its pledge to address and rectify pay disparities. This sustained commitment underscores the HCPC's enduring pursuit of equity and inclusivity in the workplace.

April 2024