

THE ROYAL BRITISH LEGION

GENDER PAY GAP REPORT 2018



OUR COMMITMENT

We are committed to becoming a truly inclusive organisation, where everyone feels valued for the contribution they make. This is consistent with our core values and desire to promote The Royal British Legion (The Legion) as a great place to work.

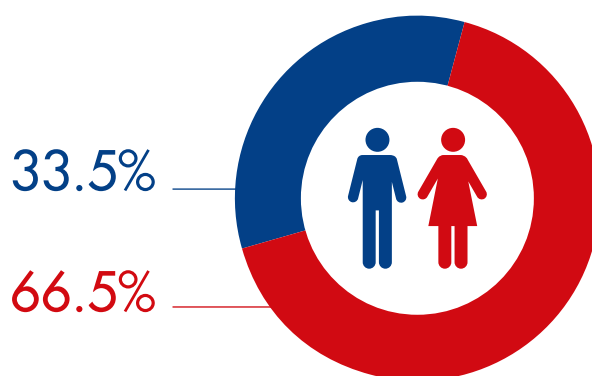
Gender pay gap reporting helps us to understand whether we are doing all we can to instil gender equality within our culture and workplace.

Gender pay gap reporting is a legal requirement for large organisations. It is not the same as the requirement to pay men and women (who do the same or similar jobs, or work of equal value), equally.

Although our gender pay gap is significantly influenced by the different and diverse employment markets we operate within, from Care Homes to Hospitality, Fundraising to Legal Advocacy, the indications are we are making some improvement in decreasing our gender pay gap, but we recognise we still have work to do.

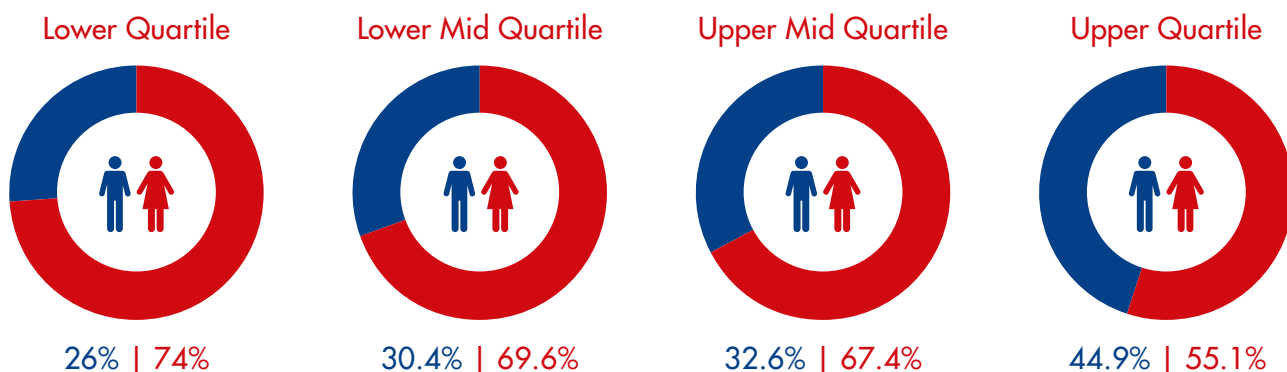
EMPLOYMENT MIX

Overall, we have a much higher number of women employees than men (66.5% of all our employees are female), in particular we have a higher proportion of women in our lower-graded roles, where we employ many more staff overall.



QUARTILE SPLIT

For the report, we are asked to split our employees into four groups by hourly rate. Within each of these groups (or quartiles), the balance between men and women is shown below:



Our middle quartiles approximately reflect the overall split of the organisation (66.5% female/33.5% male). We employ a larger proportion of women in our lower-graded roles (lower quartile) and a smaller proportion in the upper quartile. However, we are making headway; the proportion of female employees in the lower quartile has decreased from 80.5% in 2017 to 74% in 2018.

OUR GENDER PAY GAP

If you line up all the men and women working in an organisation in two separate lines in order of hourly pay rate, the median pay gap will be the difference between the hourly rate of the woman in the middle of her line and the man in the middle of his.

In 2017, our median pay gap, showed the gap between male and female employees as 21.3%. In 2018, this has reduced to 18.5% showing that the actions we have taken, and continue to make are narrowing the gap.

The mean gender pay gap is the difference between the average hourly earnings of men and women. Again in 2017, our mean pay gap showed the gap between the average hourly earnings of men and women was 20.6%, in 2018 this has reduced to 19.8%

The table below shows how this compares with UK National Averages:

Gender Pay Gap	2017		2018
The Legion Median	21.3%	↓	18.5%
The Legion Mean	20.6%	↓	19.8%
UK National Median (ONS)	18.4%		17.9%

Please note we do not operate a bonus scheme.

WHAT DOES THIS TELL US?

Our Gender pay Gap is mainly caused because we have a higher proportion of employees in our lower graded roles like Care and Hospitality, where a greater number of the staff are women. Care Homes and Break Centres account for approximately 43% of our employees, with a high proportion (almost 78%) of these being female.

We benchmark to ensure The Legion pay is competitive; however, the market for many front line roles within the care and hospitality sectors is lower than those in the "technical" or "commercial" roles in other parts of the organisation.

TWO DISTINCT BUSINESSES?

If we analyse our data for Care Homes and Breaks Centres and for other Corporate roles (including our regional operations staff), this allows us to consider the gender pay gap separately for each of these distinct areas, as illustrated below.

	Care Homes & Break Centres		Corporate (Including Regional Ops)	
UK National Median	Median Pay Gap	Mean Pay Gap	Median Pay Gap	Mean Pay Gap
17.9%	-2.2%	-7.4%	9.7%	14.1%

The values show across our Care Homes and Break Centres, that on average we pay our female employees more than we pay our male employees, as more senior roles in these areas are occupied by women. Within our Corporate grades we are below the UK National Median GPG of 17.9%.

WHAT ARE WE DOING? OUR GENDER PAY GAP ACTION PLAN

We are working towards closing the gender pay gap. We know this may take some time, but we have already started taking action and more work is planned:

- The decrease in the gender pay gap since 2017, is primarily as a result of higher pay awards for our lower paid staff in April 2018 and a slight increase in the proportion of male employees within our Care Homes and Break Centres
- We're undertaking a review of our reward provisions, including our grading and associated pay arrangements across the organisation
- We're looking at making changes to our benefits packages, consulting with staff to inform the choices we make
- We have developed and introduced organisational Values and Behaviours, and are working to ensure it becomes the underpinning basis of our: Recruitment Interviews, Personal Development Reviews, Leadership Framework and approach to Talent Management
- We're running a pilot scheme to encourage and support structured career development
- We're creating increased focus on equality, diversity and inclusion as part of a refreshed Legion – wide approach
- We're promoting the availability of flexible and agile working options at all levels
- We're undertaking a full review of all our HR policies and processes to ensure they are clear, easily accessible and fit for purpose
- We will continue to analysis our gender pay gap data to form part of our ongoing review of reward and benefits across the organisation and potentially help to target any revised organisational approaches within this area.

Our gender pay gap report was created in accordance with government guidelines as defined by the Advisory, Conciliation and Arbitration Service, (ACAS).

This report is based on the snapshot date of 5th April 2018.

I confirm that the data reported is accurate.



Sue Donaldson

Director Human Resources and Organisational Development