

2023

Gender Pay Gap Report

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ROYAL BRITISH LEGION

Our Commitments

We are proud to have a clear commitment to becoming a diverse and inclusive organisation where everyone is valued for their contribution, enabling us to best serve the needs of the entire Armed Forces family we are here to support and remember.

Gender Pay Gap (GPG) reporting is a legal requirement for all organisations employing over 250 people to identify any gap between men and women's average pay and to enable organisations to outline their plans for addressing this. RBL embraces this as part of our commitment to diversity and inclusion and to improving our pay offer and transparency.

As part of this commitment, while we are required to report our GPG as a single legal entity, we also analyse our pay gaps separately for our care home and our "corporate" roles (comprising services, membership, fundraising, remembrance, and our corporate professional functions) as many front-line roles in the care sector are lower paid than those in the other parts of our organisation. This allows us to be transparent about our gender pay gap for these two very different areas.

The existence of a gender pay gap does not represent an issue of equal pay, the requirement to pay men and women (who do the same or similar jobs, or work of equal value) equally. Gender pay gaps demonstrate the existence of structural inequity in the average pay of men and women in an organisation usually driven by over- and under-representation of the two groups in different roles and pay levels within the organisation, which is why we have undertaken analysis to better understand any underlying inequities to enable us to address these. We know that to improve we must hold ourselves to account and this data helps us do that.

Government reporting requires all employees to be categorised as 'male' or 'female' for the purpose of calculating our gender pay gap. We recognise that there are people who do not belong to, or identify with, these binary categories and, while we use the term 'gender' throughout this report, we understand that for some people the data is therefore in relation to their sex but not their gender.



The Royal British Legion and its constituent parts



Figure 1: All Full Pay Relevant (FPR) employees. April 2023

The Royal British Legion (RBL) is a large, complex organisation delivering a wide range of welfare, care, and recovery services to beneficiaries which includes running six care homes. We also lead on research and campaigns, supporting our members, raising funds and leading Remembrance on behalf of the nation.

On 5th April 2023, RBL had 1501 Full Pay Relevant (FPR) employees, with 703 working in our care homes. We had a much higher number of women employees than men: 72.0% of all employees were women. This imbalance is common within the charitable sector and is also, for us, reflective of the higher number of women that work in the care sector.

Quartile Split

For our formal gender pay gap reporting, we are asked to split our employees into four groups (quartiles) by hourly rate. Within these quartiles, the balance between men and women is shown in the figure below:

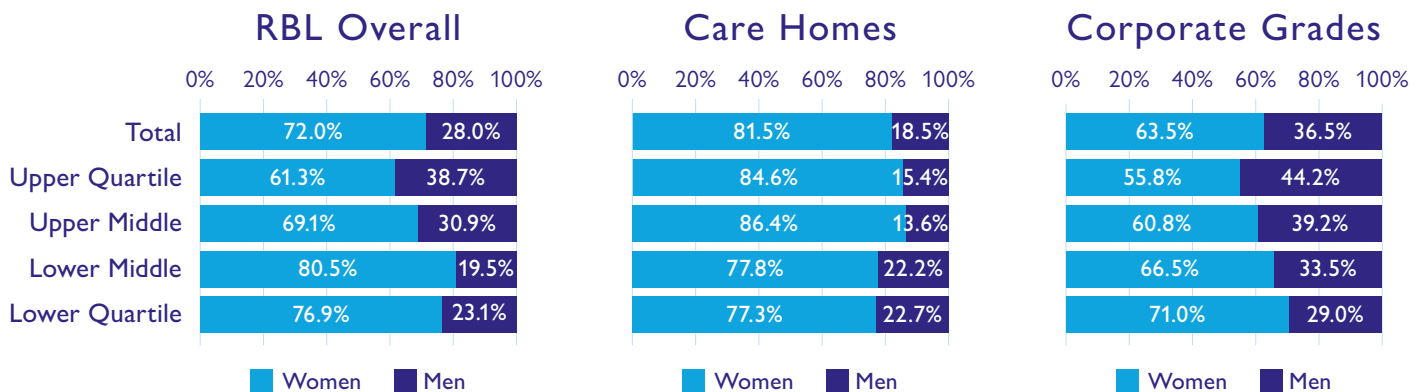


Figure 2: Quartile split of all FPR employees, April 2023

The proportion of women overall in our upper quartile has increased from 55.1% in 2018 to 61.3% in 2023. Across our care homes, the balance between men and women is more consistent across the quartiles and in our corporate grades, the proportion of women in our upper quartile has increased from 50.5% in 2022 to 55.8% in 2023.

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 their line and the man in the middle of theirs. The mean gender pay gap is the difference between the average hourly earnings of men and of women.

Our Gender Pay Gap has fluctuated over the last five years, during which time we have implemented a new Pay & Reward framework and improved our approach to sick pay which reduced the number of lower paid employees excluded from previous reports as not “full pay relevant.”

Our Gender Pay Gap now sits at 12.3% median and 15.4% mean, our lowest Gender Pay Gap since we began reporting.

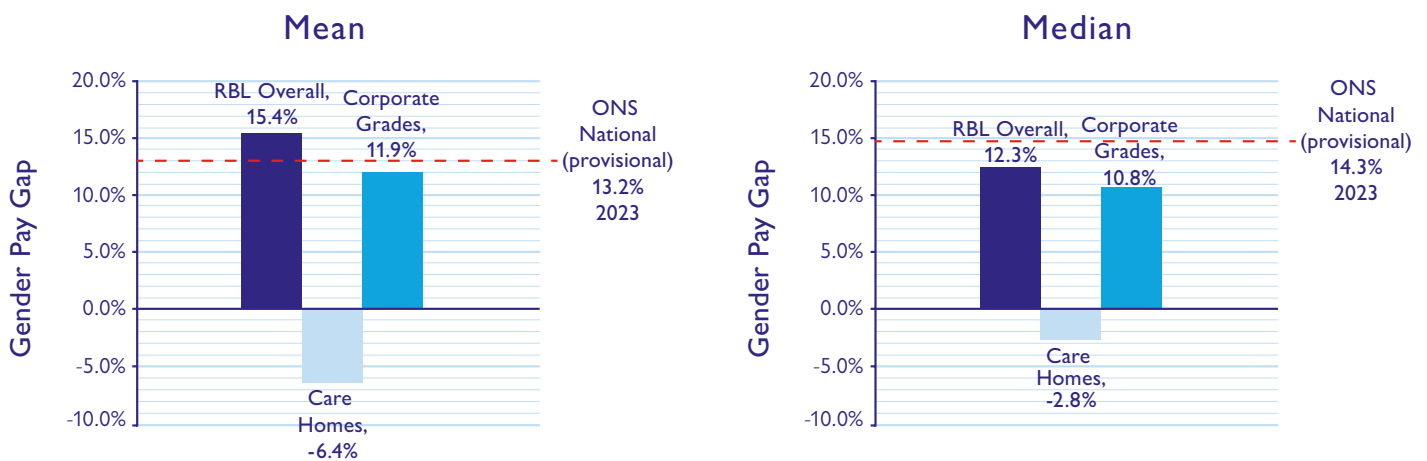


Figure 3: Our 2023 Gender Pay Gap in care homes and in corporate grades

Overall, this drop is a primarily as a result of the introduction of a new approach to pay progression launched in April 2022 and directly impacted on our data for April 2022 and April 2023. This particularly benefited our care homes employees, as we seek to position ourselves within the upper quartile of the market for the care sector.

Within our care homes, both our median and mean (average) gender pay gaps are negative, indicating that on average women are paid more than men primarily because more senior roles are occupied by women. Over the last two years we have taken steps to improve pay in our care homes for all which resulted in significant pay increases over the year April 2022 - April 2023.

Within our corporate grades, while we are below the UK national averages with a gap of 10.8% (median) and 11.9% (mean), we recognise that we still need to reduce this gap further.

What are we doing to improve?

Our gender pay gap has decreased from median 21.3% and mean 20.6% in 2017 to 12.3% and 15.4% in 2023 respectively. This is clearly a vast improvement overall and our recent changes to our pay framework and care home pay, and our actions to be a more inclusive employer are starting to deliver on our ambition to reduce our gap.

However, while the proportion of women in our senior management grades has improved, women still remain under-represented at these grades, compared to RBL average, which inevitably influences our gender pay gap. Therefore, while there is much valuable activity taking place across RBL that will help reduce our gap, we know we must continue our focus and ambition to deliver on our diversity and inclusion commitments to maintain our momentum and progress further. We are concentrating our actions in three main areas:

- Priority 1 – Improving inclusion in recruitment.
- Priority 2 – Increasing transparency in pay.
- Priority 3 – Supporting all employees to thrive.

Priority 1 – Improving inclusion in recruitment

We have already implemented measures to improve inclusion in recruitment and have introduced training for hiring managers on inclusive recruitment and interviewing.

We will be building on this by:

- Delivering a more inclusive recruitment process using anonymised applications for recruitment at all levels to remove bias from the shortlisting process.
- Providing targeted advice and guidance to hiring managers to ensure they understand their direct role in reducing our gender pay gap through inclusive recruitment and transparency in pay decisions.
- Regularly monitoring the diversity of our talent pools and progression through each stage of the recruitment process and acting on trends to ensure hiring managers are operating consistent and inclusive practices.
- Reviewing how we partner with, and influence, agencies to position ourselves as an inclusive organisation aiming to reduce our gender pay gap.

Priority 2 – Increasing transparency in pay

We have started to analyse salary data for our corporate grades in more detail, to identify any potential issues and trends which need further investigation. In order to address this we will be:-

- Developing further insights into additional factors to ensure that we are not disadvantaging anyone.
- Ensuring our People Business Partners continue to play a key role in promoting our gender pay gap actions particularly through workforce planning and senior recruitment.

Priority 3 – Supporting our employees to thrive

We have introduced paid Carer's Leave and paid Time off for Dependants to support our employee parents and carers and, as a result of recent analysis of our employee engagement survey, held a senior women's focus group to help identify improvements to support them. We will continue to support all our employees to thrive by:

- Delivering on our commitments developed for our Race Equality Matters Trailblazer Bronze Award, Fighting with Pride's Pride in Veterans Standard and aspiring to achieve Disability Confident Employer Level 2.
- Embedding our Guaranteed Interview Scheme for applicants with an Armed Forces background as part of our commitment to our Armed Forces Covenant Gold Award.
- Continuing to support the visibility of our six D&I Networks and recognising the powerful contribution they make to driving inclusion across RBL.
- Improving the culture and support for senior women at RBL.

We will report to our Executive Board and Board of Trustees on progress against all these actions by autumn 2024.

Gender Pay Gap Report 2023

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 2023.

I confirm that the data reported is accurate.



Karen Gill
Executive Director: People & Organisational Development

Appendix:

Royal British Legion Statutory data

In accordance with our statutory obligations, we have filed the following data with the Government Equalities Office for the Royal British Legion for the year ended 5th April 2023:

Median Hourly Pay Gap: **12.3%**
Mean Hourly Pay Gap: **15.4%**

Quartile Composition (against overall FPR workforce of Men: 28.0% / Women: 72.0%):

	Lower	Lower Mid	Upper Mid	Upper
Men	23.1%	19.5%	30.9%	38.7%
Women	76.9%	80.5%	69.1%	61.3%

Median Bonus Pay Gap: **0%**

Mean Bonus Pay Gap: **-4.3%**

Employees receiving a bonus: **Men: 60.1% / Women: 72.2%**

Our Bonus Pay Gap shows that women receive the same median bonus payments and slightly higher mean bonus payments than men.

“Bonus” data includes long service awards, recognition vouchers with a monetary value and other one-off payments. For the year April 2022 to April 2023, there was a significant increase in the number of “bonus” payments made.

This was driven by two main factors:

- Payment of a £750 (FTE) Cost of Living payment to all employees at grade 6 and below in October 2022.
- Payment of welcome and loyalty awards £500 (FTE) to care home employees in post / joining between December 2021 and May 2022, paid from June 2022.

The table below shows how RBL values have changed over time and how this compares with UK National median values:

	2018	2019	2020	2021	2022	2023
Median pay gap	18.5%	21.2%	18.9%	19.3%	15.4%	12.3%
Mean pay gap	19.8%	21.1%	18.7%	19.5%	17.2%	15.4%
UK National median (ONS)	17.8%	17.4%	14.9%	15.1%	14.4%	14.3%
UK National mean (ONS)	17.2%	16.3%	13.9%	14.9%	13.4%	13.2%

ONS (Office of National Statistics) data for 2023 is still provisional at this time.

This data does not cover employees of the National Memorial Arboretum, or Poppy Scotland, which are wholly owned subsidiaries of the RBL and do not employ more than 250 people and for which we are therefore not required to report.



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