Gender Pay Gap Report 2021

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Our Commitment

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

We strive to become a more inclusive and diverse organisation, not least so that we can best serve the needs of the entire Armed Forces community we are here to support. In recent years we have increased our focus on diversity and inclusion across RBL and are set to publish our first D&I Action plan, outlining our planned commitments to become a more diverse and inclusion organisation.

Gender Pay Gap (GPG) reporting is a legal requirement for all organisations employing over 250 people. Gender pay reporting identifies any gap between men and women's average pay and enables 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 over how pay is set.

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. RBL is committed to its legal responsibility to ensure equal pay, as well as its moral responsibility to reduce structural gender pay gaps within its workforce.



The Royal British Legion and its constituent parts

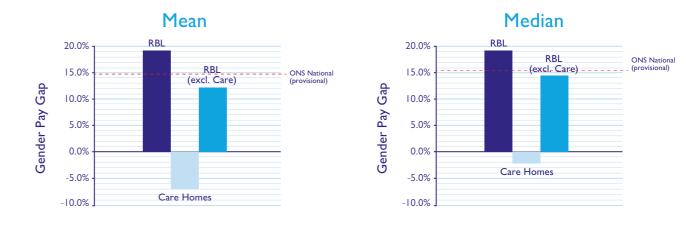


Figure I: All Full Pay Relevant (FRP) employees, April 2021

RBL had 1,502 Full Pay Relevant employees on 5th April 2021. Overall, we had a much higher number of women employees than men; 71.9% of all employees were women. This imbalance is not uncommon within the charitable sector.

RBL is a large, complex organisation which delivers a wide range of welfare, care and recovery services to beneficiaries in addition to campaigning, raising funds, leading remembrance and commemoration on behalf of the nation, and supporting a substantial membership organisation.

Our workforce is multi-faceted. We run six registered care homes across England with a total FPR staff of 658 on the snapshot date. We are required to report on RBL as a single legal entity (see Appendix), but it is more useful to analyse the Gender Pay Gaps that exist within our Care Homes workforce - 44% of our employees, 85% female (social care industry average: 82%) – and the rest of the organisation.



Looking separately at these two workforces, our Care Homes have a mean hourly pay gap of -7.2% (in favour of women) for 2021 while the rest of our organisation has a mean hourly pay gap of 12.3% for 2021. A similar pattern can be seen in the Median data.

While the GPG within the organisation (excluding Care) continues to be a focus for our actions, it should be noted that this is below the provisional ONS data for the mean national average of 14.9% for 2021.

Since the Care Home workforce is predominantly women and also represents a significant proportion of the lower end of our pay spectrum, the combination of both segments of our workforce produces an overall mean hourly pay gap figure for RBL which is above the national average.

While we comment on the Care Home workforce composition below, we do not anticipate being able to drive the kind of sector-wide change in the balance of men and women in the caring professions that would be needed to radically alter our workforce composition and therefore the impact of this segment of our workforce on our overall pay gaps.

Our focus is on improving the balance of representation of men and women across pay levels within the rest of our organisation which comprises Welfare Services and Grants, Membership, Fundraising, Remembrance and the various corporate professional functions.

Focusing in on Priority Areas

As stated above, the mean hourly gender pay gap for our Care operation was -7.2% (in favour of women) and the hourly pay gap for the Royal British Legion (excluding Care Homes) was 12.3%.

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 overall median hourly pay gap was 19.3%, the median for Care Homes was -2.1% (in favour of women), and the median for RBL (excluding Care) was 14.9%.

The composition of pay quartiles illustrates how these gaps arose, and where our focus should be for improvement.

To report on quartiles we recombine these two lines, retaining the high-low order of pay, separate the line into quarters, and identify the percentage of each quarter that are men and the percentage that are women.

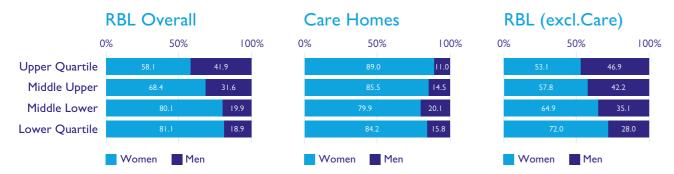


Figure 2: Quartile split of all employees, April 2021

The above graphs clearly show that the very low number of men employed within our Care Homes overall are relatively evenly distributed across the four quartiles of pay within this segment of our workforce. While the significantly higher proportion of women employed in lower-paid Care Home jobs does contribute to the inequal distribution of men and women across the four Overall pay quartiles, the final graph shows that even after excluding Care Homes from our overall data set, the 62% of our workforce which are women within the rest of the organisation is over-represented within the lower quartiles and under-represented within the upper two quartiles.

Overall, we continue to make improvements in our upper quartile, where the proportion of women has increased from 55.1% in 2018 to 58.1% in 2021. But, more balanced recruitment at the most senior levels of our organisation as well as opportunities for progression are key focus areas moving forward.

What are we doing - our Gender Pay Gap Action Plan

We are committed to reducing our gender pay gap through more equal representation of men and women within our organisation outside our Care Homes workforce. We know this may take some time and we have already started taking action to improve our understanding so that we can take targeted actions to help reduce our gender pay gap.

Leadership at RBL

While we have made some progress to improve the proportion of women in leadership roles, we know we have much more to do. In the next year, we will: -

- Take actions to ensure our recruitment processes are more inclusive, and free from bias, with a particular focus on leadership roles
- Undertake analysis to determine the role of internal progression in the development of our senior leadership group
- Launch a new leadership development programme with 'accessing senior roles' a core part of the programme
- Develop our candidate proposition to ensure we engage effectively with our external audiences and communicate our inclusion agenda; this includes providing encouragement and focus on women joining us, particularly at a senior level
- Start to explore what career pathways and routes we can build across the Legion for all staff and ones that especially support women with career progression

Representation and Support

To help drive change and shape our D&I agenda, we have supported the development of new staff networks, including our new Gender Network, across RBL Group, to empower colleagues to contribute ideas to help solve some of the barriers experienced by under-represented and disadvantaged groups.

We are developing our approach to awareness and support around the menopause. And, we will use our staff networks to identify other needs of different groups of our workforce and to develop actions to ensure we are supportive and inclusive of all.

Improving our Pay Framework

We are in the final stages of a significant redevelopment of our approach to setting pay within RBL. Our new Pay Framework, being further developed in April 2022, will improve pay transparency and enable us to monitor the internal equity of pay between different roles more closely. We are also taking continual steps to improve the overall value of our pay and benefits particularly raising the level of our lowest-paid staff. This will continue to have a positive impact on the average pay of women within our workforce.

Promoting Flexibility

We have adopted a range of working patterns since the start of the Covid-19 pandemic which include homeworking contracts, and hybrid working arrangements for office-based staff. These, in addition to the operation of statutory flexible working requests, provide RBL staff – regardless of gender - with greater ability to manage work alongside other caring commitments. These initiatives have been shown to both support women – often the primary carer – in continuing their careers, and also enabling and encouraging men to play an equal part, and therefore alleviate the sometimes unequal burden on women.

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 2021.

I confirm that the data reported is accurate.

Karen Gill

Director Human Resources and Organisational Development

Appendix: Royal British Legion Gender Pay Gap Report 2021

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 2021: -

Median Hourly Pay Gap: 19.3%

Mean Hourly Pay Gap: 19.5%

Quartile Composition (against overall FPR workforce of Men: 28.1% / Women: 71.9%): -

	Lower	Lower Mid	Upper Mid	Upper
Men	18.9%	19.9%	31.6%	41.9%
Women	81.1%	80.1%	68.4%	58.1%

Median Bonus Pay Gap: 0%

Mean Bonus Pay Gap: -35%

People receiving a bonus Men: 8.3% / Women: 4.6%

RBL does not operate performance-related pay schemes. The bonuses referenced above – in line with statutory requirements – essentially comprise recognition payments (vouchers) and Long-service Awards typically ranging from £10 to £200.

For context, the historical mean/median hourly pay gap has been: -

	2017	2018	2019	2020	2021
Median pay gap	21.3%	18.5%	21.2%	18.9%	19.3%
Mean pay gap	20.6%	19.8%	21.1%	18.7%	19.5%

The slight increase in the overall RBL Gender Pay Gap from 2020 to 2021 results largely from overall headcount reduction outside Care Homes, and expansion of the proportion of staff – in particular in our Care Homes – qualifying as full-pay-relevant as a result of improvements in sickness pay. Both these changes increased the overall 'skewing' effect of the predominantly female lower-paid care home workforce on our overall statistics.

This data does not cover employees of the National Memorial Arboretum, or Poppyscotland, 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.

