

Virgin Care

Gender Pay Gap Narrative

April 2018

Introduction.

Gender pay gap reporting legislation requires legal entities with 250 or more employees to publish statutory calculations every year showing the pay gap between their male and female colleagues.

The **gender pay gap** shows the difference in the average pay **between all men and women in a workforce**, regardless of role. It should not be confused with **Equal Pay**, which deals with the pay differences between men and women who **carry out the same or similar jobs** or work of equal value.

We're required to provide separate reports for:

1. Virgin Care Services Limited (VCSL)
2. Virgin Care Provider Services Limited (VCPSL)
3. Virgin Care Limited (VCL)

We have supplemented the mandatory information with further additional information. This includes the organisation wide position for Virgin Care Group (which consolidates all three of the above companies).

We believe this further detail provides the true picture of our gender pay gap within the Virgin Care group.

Understanding our entities

Below is a brief explanation of which colleagues are employed in each of our entities and why. The key reason for this structure is the level of regulation around access to the NHS pension, which we offer to colleagues joining us in registered roles (e.g. doctors and nurses) within Virgin Care Services Limited.

Virgin Care Services Limited

- VCSL holds the majority of our NHS and local authority health and social care contracts
- This is the employing entity of the majority of our clinical and other registered colleagues (for example nurses and doctors)
- VCSL is able to offer the NHS Pension to eligible colleagues
- A large number of colleagues in this entity have transferred to our employment on inherited terms and conditions of employment (including different reward packages) from previous service providers which are protected by TUPE (Transfer of Undertakings (Protection of Employment) Regulations 2006)
- There are a number of anomalies within this entity relating to TUPE where colleagues have access to the NHS pension who are not in clinical or registered roles, but whose pension we continue to honour

Virgin Care Provider Services Limited

- VCPSL is the employing entity of the majority of our local support and non-registered colleagues in services (for example administrative support colleagues)
- A large number of colleagues in this entity have transferred to our employment on inherited terms and conditions of employment (including different reward packages) from previous service providers which are protected by TUPE

Virgin Care Limited

- VCL is the parent company of the 100% owned subsidiaries VCSL and VCPSL
- The colleagues employed by VCL include our corporate support services
- Some colleagues in this entity have transferred to our employment on inherited terms and conditions of employment (including different reward packages) from previous service providers which are protected by TUPE

The snapshot date – 5 April 2017

On 1 April 2017 we on-boarded over 2,000 new colleagues across a number of services nationwide (this included services in Bath & North East Somerset and Essex). That same day, we reached the end of contracts to provide other services in Surrey, meaning just under 1,500 colleagues transferred out of our organisation to other providers.

This means our workforce changed by 68% overnight on 1 April 2017.

The snapshot date for the purposes of Gender Pay Gap reporting therefore reflects the position as it stood for our organisation a few days after we inherited a large number of colleagues on a variety of protected terms and conditions (including different rates of pay).

Our industry

Our intention is to close any gap where it exists, to support us in doing this we want to understand where we sit in our industry as a starting point.

We deliver a range of health and social services nationwide. The working population of England is split nearly 50/50 between men and women. However, this is not reflected in the NHS workforce which is broadly 77% female and 23% male.¹

Looking specifically at the industry wide NHS Agenda for Change population (which includes various roles from nurses and health care assistants, to receptionists and corporate support roles), and the different pay bandings within this cohort, the proportion of female colleagues in the lowest bands is greater than that in the highest. For example, the proportion of women working in Band 1-4 positions (the more junior bands) is 80%, but this falls to 69% in bands 8a-9.²

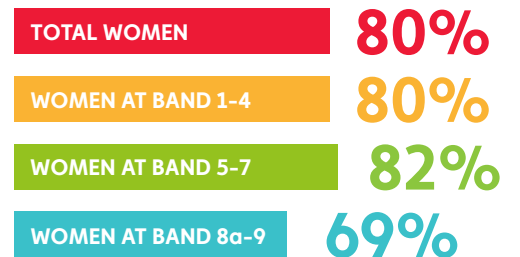
We can see from this data that there is a challenge across the sector on how to:

1. Attract more men into Agenda for Change type roles (e.g nursing, health care assistant and support roles)
2. Attract and support more women into doctor positions and leadership roles.

We are not immune from these sector wide challenges, and these trends can be seen reflected in elements of our data.

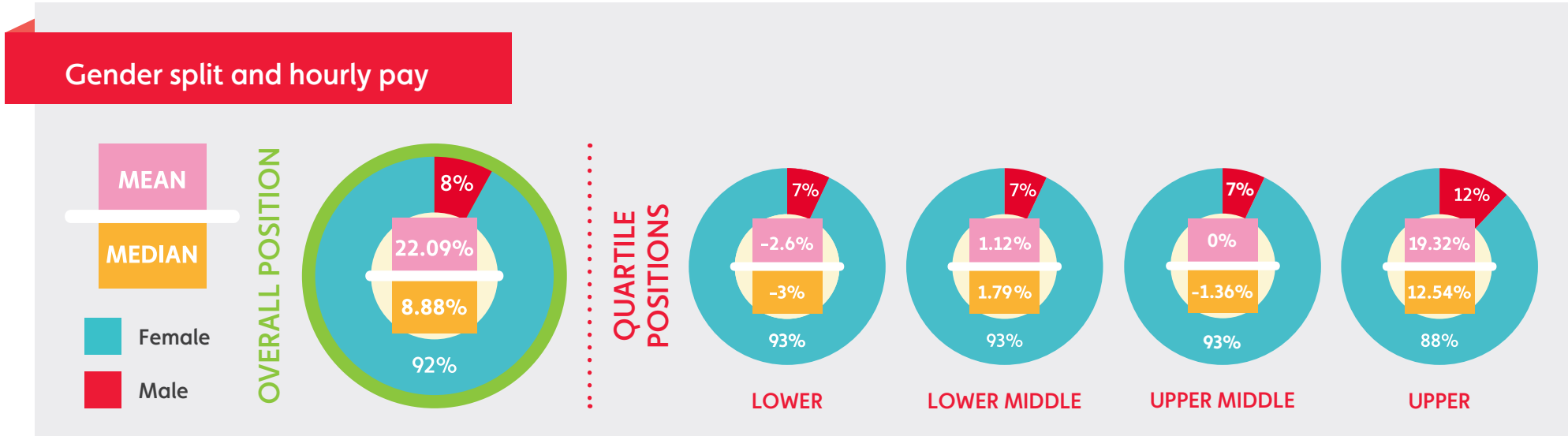
However, this industry context does not make the current position acceptable. We are committed to closing the gender pay gap, and set out in this report the steps we have already taken in relation to this, in addition to the steps we will be taking over the next 12 months.

Women in the NHS Agenda for Change Population



Our data

(Virgin Care Group)



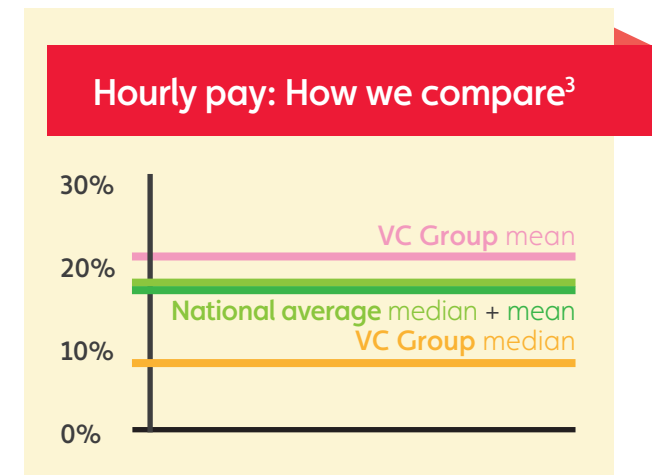
Our overall pay gap is 22.09% (mean) and 8.88% (median).⁴

Our quartile data shows that this gap is not reflected in our 'lower', 'lower middle' and 'upper middle' quartiles. The gap is less than 2% in the 'lower middle' and between -1% and -3% in the other two quartiles, meaning **there is a pay gap in favour of females** in the 'lower' and 'upper middle' quartiles. Our 'upper' quartile shows a gap of between 19.32% (mean) and 12.54% (median). This is similar to the national average of 16% for senior managers, and clearly identifies an area we need to focus on (i.e. increasing female representation in the upper quartile).⁵

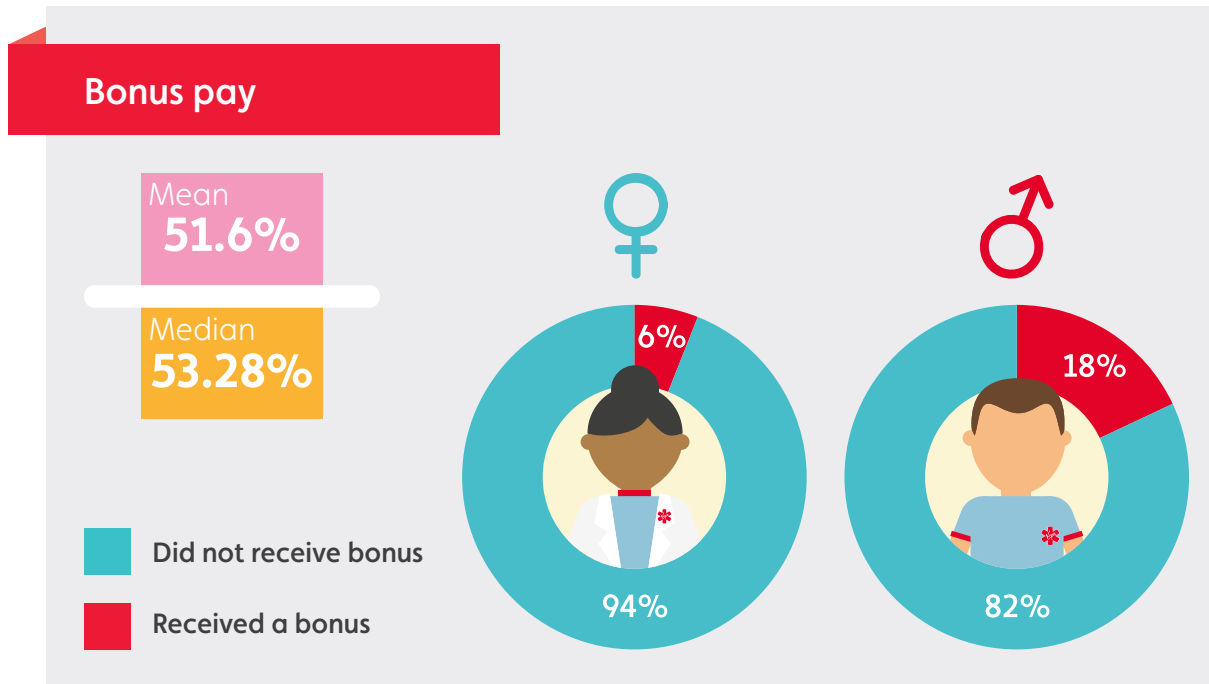
Our workforce is overwhelmingly female (92%), which is broadly reflective of the industry norm.⁶

The male/female split is broadly consistent across the four quartiles in the overall Virgin Care Group report.

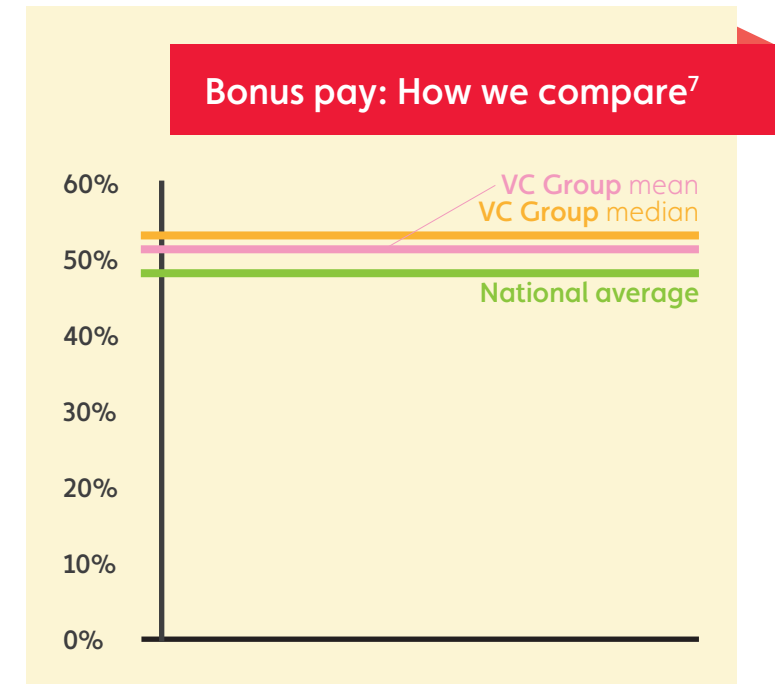
Our upper quartile is nearly 90% female. However, the male representation in this quartile is slightly higher than the male representation in the other quartiles. We believe this difference helps explain our mean gap.



Our data



(Virgin Care Group)



We operate a discretionary company and individual performance based bonus paid for corporate support and senior leadership roles. This is mainly paid to colleagues employed within the VCL entity.

There are also some bonuses paid within the VCSL entity. This is a mixture of the corporate support scheme and various different joining and retention bonuses for difficult to recruit roles and business critical positions. Clinical excellence awards are also included in the definition of a bonus payment.

74%
of colleagues who received a bonus were female

50%
of our highest 20 bonus payments were paid to women

40%
of our highest 10 bonus payments were paid to women

Steps we've already taken since the snapshot date

- **Executive Team:** On the snapshot date the make-up of the Executive team was 66.6% male and 33.3% female. Changes and appointments since this snapshot date mean that, as of today, the Executive team is 43% male and 57% female.
- **Agile work options:** We offer a variety of part-time roles and also the opportunity to undertake flexible work options (e.g. "Bank" work) which we believe helps support colleagues balance work with home commitments.
- **Diversity and Inclusion:** We have established a Diversity and Inclusion Steering Group made up of a range of colleagues from across the organisation to champion a range of initiatives, of which one will be to look at how we can continue to drive success in gender equality and inclusion.
- **Internal corporate support restructure:** We reviewed and streamlined our corporate structure in 2017, removing various senior positions from different parts of the corporate support team.
- **Candidate Attraction:** We have launched a new employer brand in 2018 which we believe reflects our communities and promotes diversity and equality, ensuring the widest pool of candidates express an interest in joining our organisation.

What we're focusing on next

- We're undertaking a full review of our **Pay and Reward** offering to ensure our offering meets the needs of all colleagues and enables us to attract the best colleagues to our organisation.
- As part of a complete **review of our people policies**, we're going to examine whether there are any opportunities to further support colleagues balance their work and home commitments through, for example, shared parental leave, job-sharing, part-time working and term-time only opportunities. This should support female colleagues wanting to progress their career with us where we currently see the level of females in senior leadership roles drop off.
- We're launching a number of new ways to help colleagues reach their full potential through developing and launching bespoke **Leadership Programmes** and **apprenticeship schemes**. This will include coaching and mentoring to encourage and promote internal progression into our senior management group and Executive Team.
- We're going to conduct a review of our **recruitment processes and training** to ensure there is no potential for unconscious bias in the recruitment process.
- We're going to build on our Employer Brand project by reviewing **candidate attraction campaigns** and strategies to encourage applications from all with a particular focus on lower represented groups.
- We're investing in the establishment of a **national "Bank" workforce and technology** to enable more colleagues to work flexibly across neighbouring Virgin Care services and gain further experience whilst balancing personal commitments.

Our commitment

"As an Executive Team we are committed to being industry leaders in closing the gender pay gap.

We are confident we will see the gap decrease as a consequence of the steps we have already taken during the past 12 months, and plan to take over the next 12 months. We will continue to work closely with our colleagues to achieve this outcome.

We confirm the information contained in this report is accurate."

A handwritten signature in black ink, appearing to read 'SRP', with a long horizontal line extending to the right.

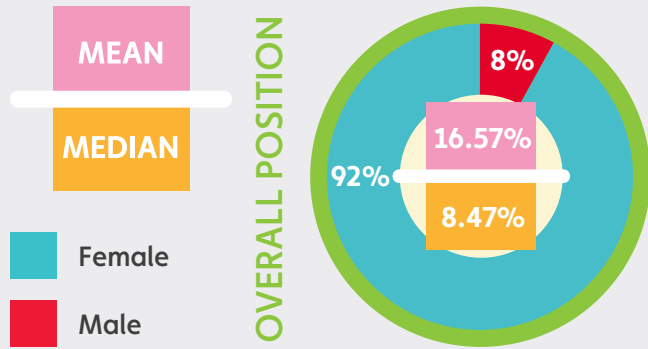
Stuart Rennison-Price

People and Service

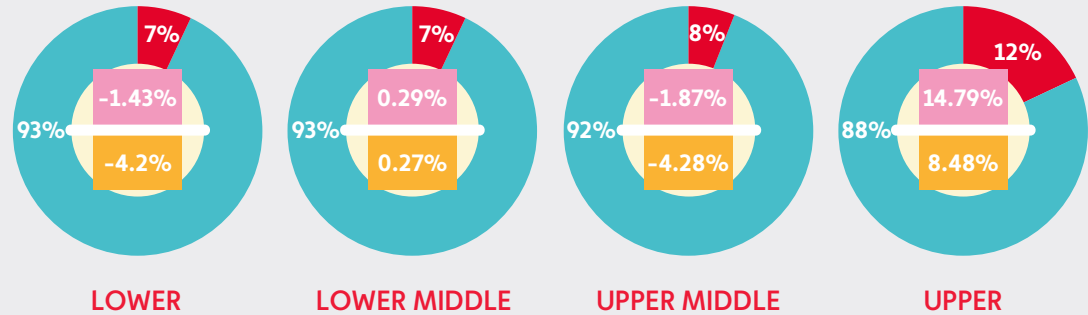
Director

**Our data
across all entities.**

Gender split and hourly pay

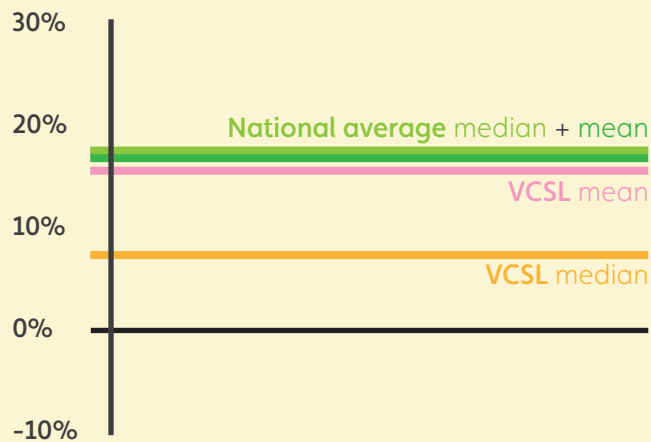


QUARTILE POSITIONS

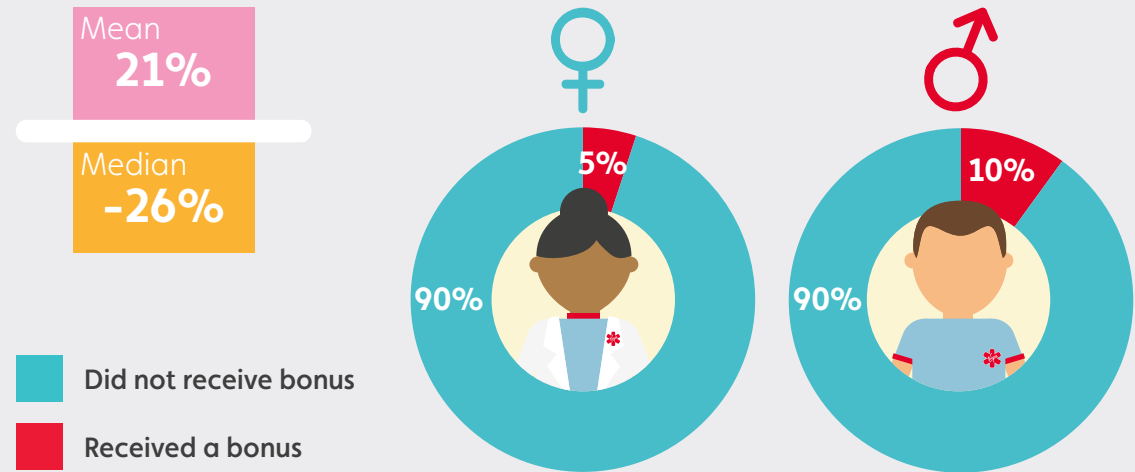


Virgin Care Services Limited

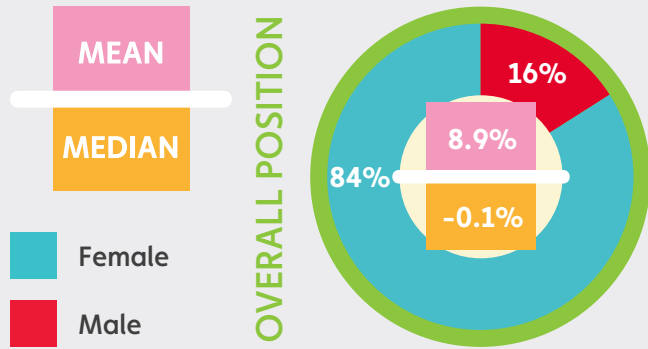
Hourly pay: How we compare



Bonus pay

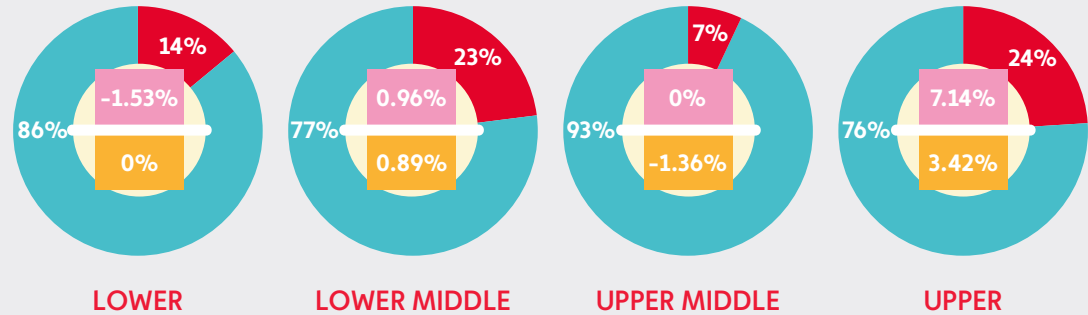


Gender split and hourly pay

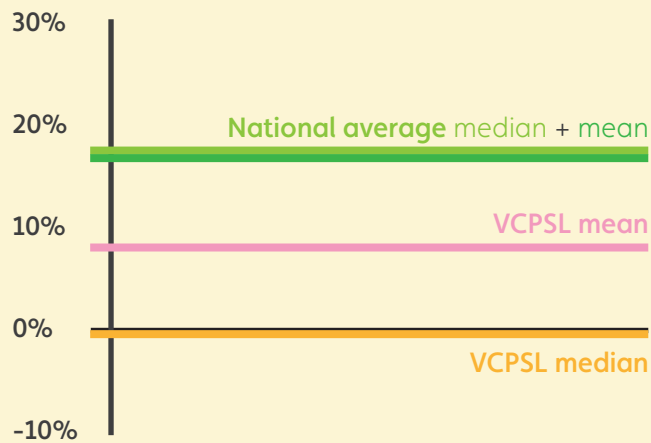


Virgin Care Provider Services Limited

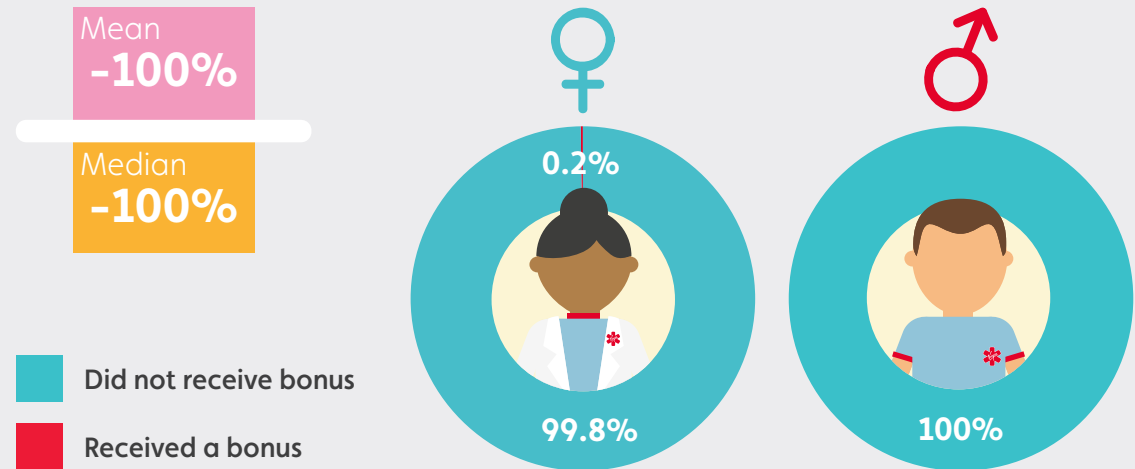
QUARTILE POSITIONS



Hourly pay: How we compare

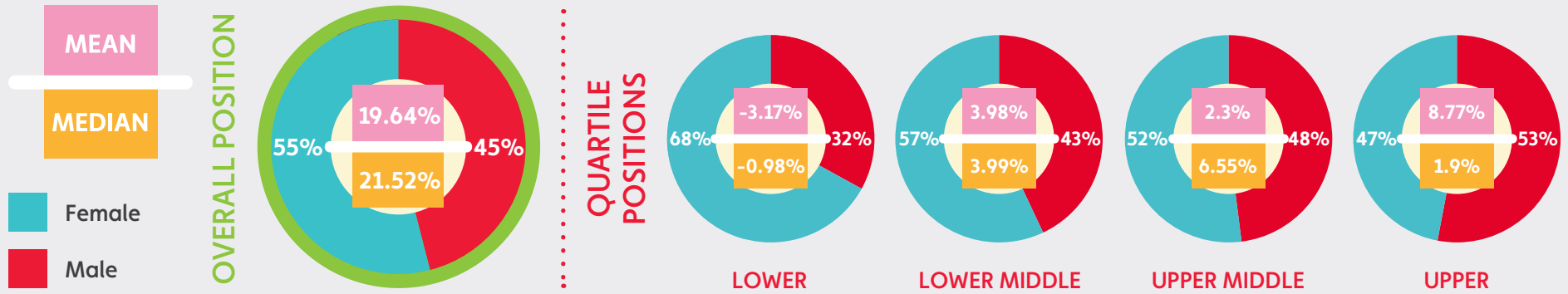


Bonus pay

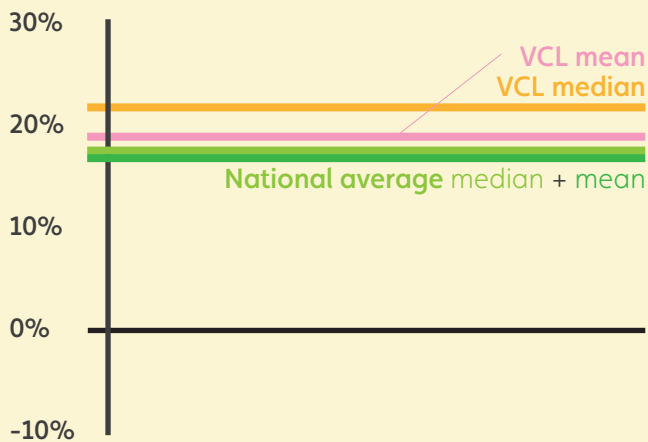


Gender split and hourly pay

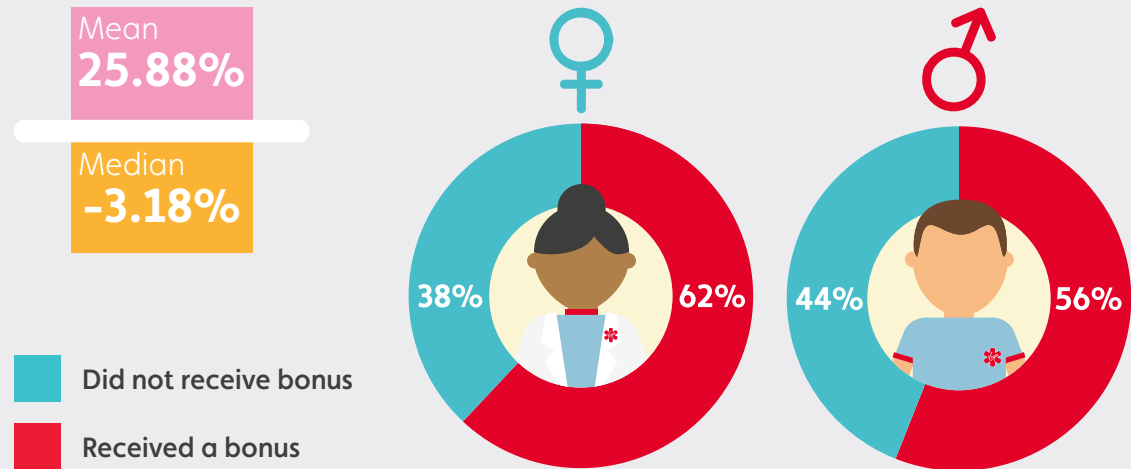
Virgin Care Limited



Hourly pay: How we compare



Bonus pay



References

¹ <http://www.nhsemployers.org/~ /media/Employers/Publications/Gender%20in%20the%20NHS.PDF>

² <http://www.nhsemployers.org/~ /media/Employers/Publications/Gender%20in%20the%20NHS.PDF>

³ The Office for National Statistics reported an average for 2017 of 18.4% (median) and 17.4% (mean) <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/annualsurveyofhoursandearningsashegenderpaygaptables>

⁴ The **mean** is the difference between the average pay and is calculated by adding up the hourly pay of all male or female employees and dividing the total by the number of male or female employees.

The **median** is the difference between the midpoints in the total range of pay for male and female employees. It is calculated by arranging all of the hourly pay rates from highest to lowest and selecting the middle of the range. A median figure is influenced less by the extreme ends (i.e. the very lowest and highest rates of pay) of each range.

⁵ <http://www.managers.org.uk/~ /media/Files/PDF/Infographics/Gender-Salary-Survey-Infographic-2016.pdf>

⁶ <http://www.nhsemployers.org/~ /media/Employers/Publications/Gender%20in%20the%20NHS.PDF>

⁷ <http://www.managers.org.uk/~ /media/Files/PDF/Infographics/Gender-Salary-Survey-Infographic-2016.pdf>

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