Gender Pay Gap Narrative 2019

St Luke's Hospice, Sheffield

On 5 April 2019, St Luke's employed 230 people. 197 of these employees were female (86%) and 33 were men (14%). The very high proportion of females employees is not unusual in the charity sector, and particularly in the care sector where St Luke's operates.

The gender pay gap figures on **5 April 2019** based on the Median and the Mean measures, following the official method of calculation, are as follows:

A. Median gender pay gap

The 'median' is the middle number in a list of numbers. To work out the <u>median</u> <u>gender pay gap</u>, we set out each list of employees from highest to lowest rate of pay and took the pay rate located in the middle of the list. This figure is important because it shows the 'typical' situation in the middle of the organisation and the figures are not distorted by very large or small pay rates.

We did this separately for female employees and male employees. We then deducted the median female result from the median male result to generate the 'median pay gap.' The result is as follows:

```
Men's median hourly rate of pay = £10.49 (a)
Women's median hourly rate of pay = £12.09 (b)
Median Gender Pay Gap (a-b) = -£1.60 or -15.25%
```

Hence the <u>median gender pay gap</u> shows that at St Luke's, median women's hourly pay is £1.60 per hour or 15.25% <u>higher</u> than men's.

B. Mean gender pay gap

The 'mean' is the arithmetic average of a group of numbers. To work out the <u>mean</u> <u>gender pay gap</u>, we added up all the rates of pay per hour for each employee and divided by the number of people in the group. We did this separately for female employees and male employees. We then deducted the mean female result from the mean male result to generate the 'mean pay gap.' The result is as follows:

```
Men's mean hourly rate = £14.74 (c)
Women's mean hourly rate = £13.80 (d)
Mean Gender Pay Gap (c-d) = +£0.94 or +6.37%
```

Hence the <u>mean gender pay gap</u> shows that at St Luke's, mean women's hourly pay is 94 pence per hour or 6.37% <u>lower</u> than men's.

Conclusions

The results of St Luke's gender pay gap calculations show a balance between female and male rates of pay, with one result showing a small variation in favour of female employees, and the other showing a more minor variation in favour of male employees.

St Luke's has an even spread of genders across all its pay scales, and whilst there is a predominance of female employees in terms of numbers, the results of the pay gap calculations shows that there is no systemic bias in favour of either gender. It is to be expected that the median pay gap would be in favour of female workers, owing to the high proportion of qualified female clinicians and managers within our workforce. The mean pay gap is less meaningful because of the imbalance in numbers between the female

workforce (197) and the male workforce (33). This makes the male mean more sensitive to distortion than the female mean, and because St Luke's has several long serving male senior managers, this results in a shift to show a small variation in favour of male employees on this measure.

Another factor influencing the result is the fact that our workforce includes a number of flexible 'bank' staff – these colleagues tend to work in roles that are lower paid and we have more females in these roles.

St Luke's has a robust salary structure and uses thorough market-rate comparisons to ensure fair and equitable pay across all roles, along with flexible working options and family friendly policies designed to provide a positive working environment to all.

St Luke's is therefore confident that the pay gaps reported show no evidence of gender bias, are not due to unequal pay for same or equivalent work but from the industry in which we work, the types of roles that men and women are recruited into, and the associated salaries that retain roles attract within the sector.

Peter Hartland

Chief Executive