



Gender Pay Gap Report - 2018

Published March 2019

Background

Under new legislation that came into force in April 2017, UK employers with more than 250 employees are required to publish their gender pay gap under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. This requires six calculations and presenting the results that show the difference between the average earnings of men and women in our organisation.

The six calculations that such employers are required to show are as follows:

1. Proportion of males to females in each pay quartile
2. Gender pay gap (median)
3. Gender pay gap (mean)
4. Proportion of males to females who are paid bonus pay
5. Gender bonus gap (median)
6. Gender bonus gap (mean)

St Elizabeth Hospice does not pay any bonuses to any of its staff. We are therefore limiting this report to the three calculations that we are mandated to report:

1. Proportion of males to female in each pay quartile
2. Gender pay gap (median)
3. Gender pay gap (mean)

Employers are additionally encouraged to include in their report a comment on the following:

- A. What is causing your Gender Pay Gap
- B. What are you doing about the Gender Pay Gap

We are pleased to include answers to those questions in this report.

Introduction - What is the Gender Pay Gap and how is it calculated?

The gender pay gap is defined as the difference between the average hourly pay received by men and women across the organisation. This report presents the information at the same given point of time that all organisations have been requested to use, which is on 5th April 2018.

We are required to calculate and present our Gender Pay Gap in two different ways:

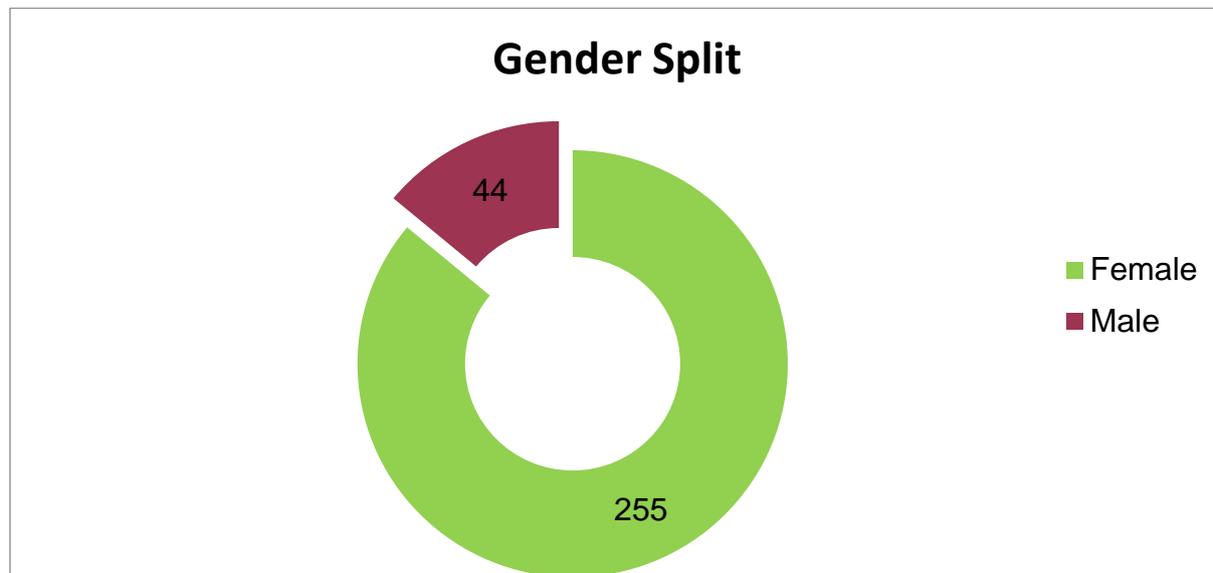
The **median pay gap** is the difference between the midpoints in the ranges of hourly earnings of all men and all women. So if we wanted to calculate the median pay for 99 men or women, we would need to rank their hourly earnings in order from lowest to highest and pick the middle-most salary, i.e., the 50th person out of 99. This person would have 49 people paid more than him or her, and 49 people paid less than him or her.

The **mean pay gap** is the difference between average hourly earnings of all men and all women employed by St Elizabeth Hospice. So if we wanted to calculate the mean hourly earnings for 99 people, we would add up the hourly earnings of all 99 people, and then divide the total by 99.

The median is included, and often preferred, because it is felt to remove the influence of very high and very low pay and therefore more fairly represents typical hourly earnings.

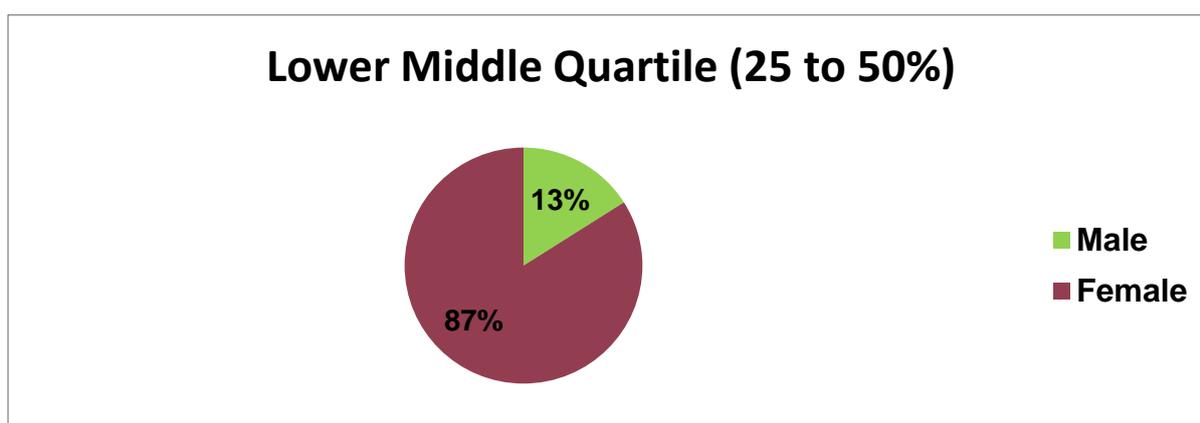
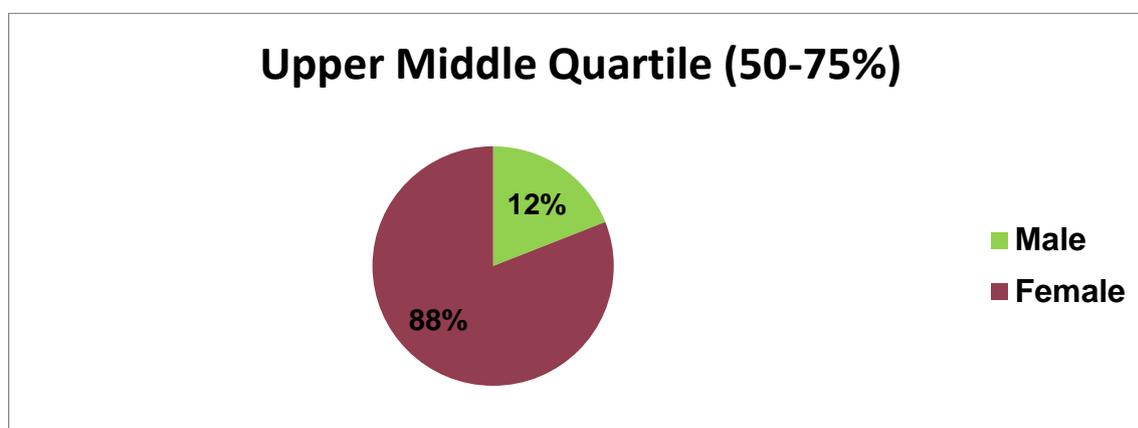
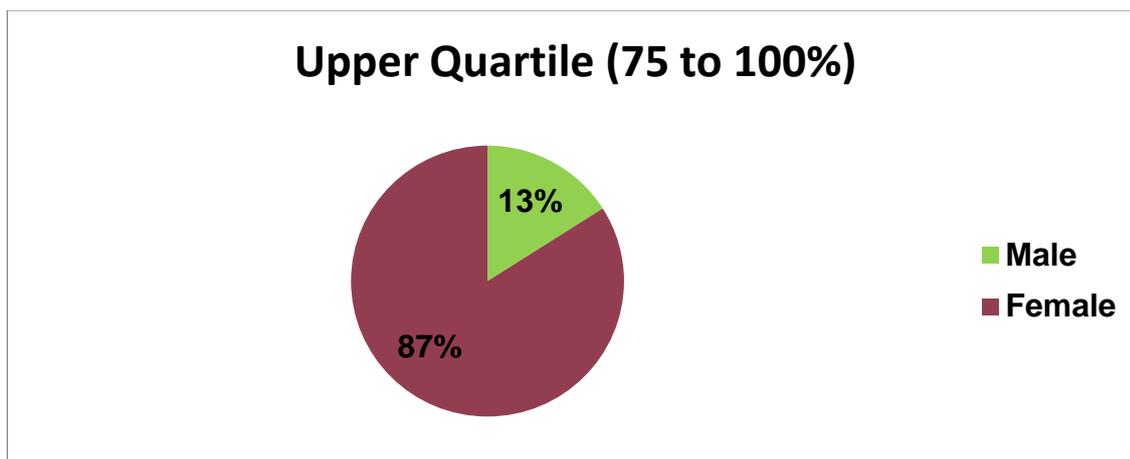
The Gender Profile of our workforce at St Elizabeth Hospice

On 5 April 2018, 85% of our employees at St Elizabeth Hospice were female. While obviously a high figure, this proportion is not uncommon for a charitable hospice entity.



1. The Proportion of males to females in each pay quartile

The charts below are made by splitting the whole workforce into four equal sized bands based on hourly pay, from highest to lowest. The percentage of men and women is then calculated for each band.



Lower Quartile (0-25%)



This is a very positive data set for St Elizabeth. What is very encouraging in the data we are reporting is that the percentage of women and men in our workforce at St Elizabeth is almost identical in the highest pay quartile as the lowest pay quartile. In other words, we have almost the same proportion of women and men in our best paid roles at St Elizabeth's as in our lowest paid roles.

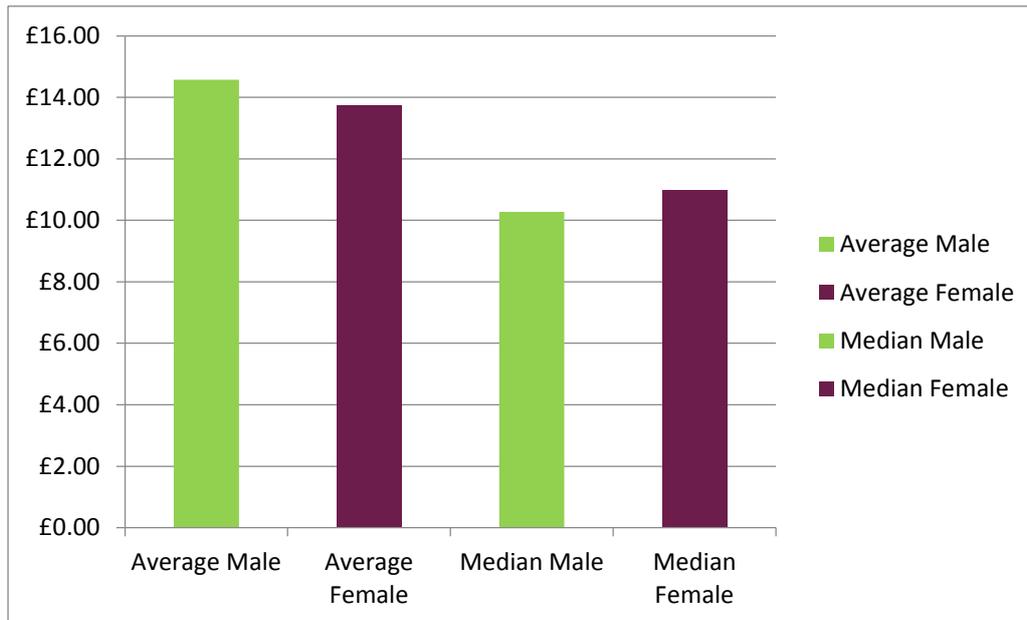
2 - Our Median Gender Pay Gap at St Elizabeth Hospice

Our Median Pay Gap has been calculated at -7.1% which means that hourly earnings of all men and all women has been calculated and women earn slightly more hourly rate than men at St Elizabeth Hospice.

3- Our Mean Gender Pay Gap at St Elizabeth Hospice

Our Mean Pay Gap has been calculated at 5.6% (which 3.3% lower than 2018 report).

Please see the information relating to calculations 2 and 3 below.



A - What is causing our Gender Pay Gap

While lower than charity sector averages, St Elizabeth Hospice, is reporting a mean pay gap. The mean pay gap is influenced by very high and very low pay and does not report typical hourly earnings, and as we have a predominately female workforce and a very small number of male employees even small fluctuations in the male workforce can have a significant impact on our gender pay gap, specifically our mean

In addition we have a predominantly female workforce and a very small total number of male employees. Therefore, even small fluctuations in the male workforce can have a significant impact on our gender pay gap, specifically our “mean” calculation.

We believe that the “median” Gender Pay Gap is the more significant measure in our organisation, for precisely the reason given by the Office of National Statistics in their guidance on which of these two measures to use:

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/methodologies/guidetointerpretingannualsurveyofhoursandearningsasheestimates>

“Why is the median used as the main measure of earnings?”

There are several methods of calculating an average; most analyses focus on the median, that is, the data value at which 50% of data values are above it and 50% of data values are below it.

We use the median because the distribution of earnings is skewed, with more people earning lower salaries than higher salaries. When using the mean to calculate the average of a skewed distribution, it is highly influenced by those values at the upper end of the distribution and thus may not be truly representative of the average earnings of a typical person. By taking the middle value of the data after sorting in ascending order, the median avoids this issue and is consequently considered a better indicator of “typical” average earnings.”

B. What are we doing about our Gender Pay Gap?

We believe that given the statistical context listed above, there is no cause for concern for St Elizabeth Hospice in this data, changes in the gender mix of the senior team following planned recruitment resulted in a reduction on the mean pay gap from 2018.

We can continue to explore how we can attract more men into our organisation to create a more even gender balance, given that we have more women than men at most levels of our organisation.

As an equal opportunities employer, we believe in appointing the best candidate into the role, regardless of their gender or other factors covered by the Equality Act.

Declaration

We confirm that St Elizabeth’s Hospice gender pay gap calculations are calculated in accordance with the guidance and requirements prescribed by the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Sally Conner

Director of Corporate Services