

**Frederic Robinson Ltd – Commentary on Gender Pay Gap Reporting Figures for 5<sup>th</sup> April 2017**

**Introduction and Background**

Under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, Frederic Robinson Ltd is required to analyse and report the pay gap between genders within its organisation.

For our organisation this exercise was expected to highlight the fact that we have distinct parts to our business as a vertically integrated brewing organisation. The expectation has been proven to be true in that there are manifest differences in our head office functions with a history of a majority of male employees and long service, and our retail operations of Managed pubs, hotels and restaurants which are a relatively new project reflecting short service and a more even balance within the workforce and pay items.

This latter part of our business also has lower pay rates, a greater proportion of different roles, geographical spread, and employees that are impacted by both the national minimum wage (NMW) and the national living wage (NLW).

These characteristics of our business are reflected in a larger gap in gender pay within our more historic workforce and sites, and a much smaller gap in our newer activities.

However, the overall impact of our managed sites’ operations inclusion in this data – with a higher percentage of female employees, but a lower level of earnings does reflect in what appears to be an abnormally high pay gap overall.

**Calculations and Data:**

Under the regulations we are required to set out six key metrics that are necessary under the rules on gender pay gap reports. These are:

1. the difference in the mean pay of full-pay men and women, expressed as a percentage;
2. the difference in the median pay of full-pay men and women, expressed as a percentage;
3. the difference in mean bonus pay of men and women, expressed as a percentage;
4. the difference in median bonus pay of men and women, expressed as a percentage;
5. the proportion of men and women who received bonus pay; and
6. the proportion of full-pay men and women in each of four quartile pay bands.

The calculations regarding this data have been undertaken in accordance with the mechanisms that are set out in the gender pay gap reporting legislation.

This data is based upon the snapshot date of 5<sup>th</sup> April 2017 and upon the workforce structure and payments in place on that date (for bonus payments the data is for the 12 months ending on 5<sup>th</sup> April 2017).

The calculations show:

1. A Mean Gender Pay Gap of 27.9% in favour of male employees for the overall business
2. A Median Gender Pay Gap of 28.6% in favour of male employees for the overall business
3. A Mean Bonus Gender Pay Gap of 1.1% in favour of female employees for the overall business
4. A Median Bonus Gender Pay Gap of 64.7% in favour of female staff for the overall business
5. 52% of male employees receive some kind of bonus, whereas 34% of female employees do.
6. The proportion of each gender in each quartile band are:

Quartile	Lower	Lower Middle	Upper Middle	Upper
Female	55%	48%	28%	19%
Male	45%	52%	72%	81%

**Observations and Comments:**

Clearly the figures in respect of the Mean and Median Pay Gap data are well above the UK average of 18%. However, as set out in our introduction the data sets used are polarised by the variance between our historical manufacturing and packaging sites in Stockport and our Managed pubs, hotels, and restaurants.

These sites are a relatively new addition to our business activities and have significantly lower pay rates due to the nature of the hospitality industry, with rates in general being around NMW or NLW as a norm.

The same data within just our Managed sites reveals that the mean Gender Pay Gap is as low as 9.8% and the median Gap actually calculates as Zero. The gender split in these sites is virtually 50:50.

Equally significantly the percentage of all female employees in the whole workforce working in Managed Sites is 61%, whereas the percentage of all male employees in the two historical sites (where there has been a reliance on a male workforce for decades) is a mirror image of 62%.

This historical situation is not readily resolved due to the long service that is in evidence within the two main sites, where over 70% of employees with over 10 years' service are male. These longer serving, skilled roles are therefore inherently paid at a higher rate than the roles within our Managed sites where a short term casual workforce is in place and high turnover rates exist. The pay gap between these different roles and parts of our business is therefore a reflection of both historical and cultural difference and not specifically gender.

We will continue to monitor these statistics and work towards closing gaps in pay and encouraging equal pay as our business develops over the coming years.

We confirm that the information provided in this report is accurate.



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