

 **rowlands** pharmacy 

Gender Pay Gap - 2018

L.Rowland & Company (Retail) Limited



Our company – about us



PHOENIX group is a large and successful group of companies ensuring patients and the public have access to high-quality healthcare in the UK and across Europe.

The group specialises in medicine distribution, pharmaceutical care and pharmacy based primary care services. We work in partnership with the NHS, healthcare commissioners and providers as well as pharmaceutical manufacturers to:

- Provide the NHS with a safe, reliable and cost-effective supply chain.
- Improve access to professional healthcare advice and support.
- Advise people on how they can live longer and healthier lives through lifestyle changes and provide the support they need to make those changes.
- Improve awareness of – and early screening for – potential life-changing, long-term conditions such as diabetes, high blood pressure, obesity etc.

L.Rowland & Company (Retail) Limited (Rowlands) is a key company within the group. The company includes direct management of over 500 frontline Rowlands pharmacy branches located in the heart of the communities we serve, as well as the central support teams.

Our people within the Phoenix UK Group are highly skilled individuals and we support them with ongoing training and development so that they can continue to deliver the best levels of service to our customers and communities. It is crucial to us that we have the best people, in the right place, doing the right thing, at the right time and we recognise the importance of great, inclusive working environments that optimise that.

UK legislation requires all UK companies with more than 250 or more employees on 5 April 2018 to publish specific gender pay gap information including mean and median pay gap, mean and median bonus gap, proportion of males and females receiving a bonus and proportion of males and females by quartile pay band.

This report presents data as at 5th April 2018 for L.Rowland & Company (Retail) Limited.

I confirm the gender pay gap data contained in this report is accurate.

Julie Fitzmaurice-Higgins, HR Director

L.Rowland & Company (Retail) Limited

With over 500 pharmacies nationwide, Rowlands Pharmacy are one of the UK's longest established chain of local community pharmacies across England, Scotland, and Wales. Within our pharmacies, we operate set rates of pay for our customer facing employees, so our Technicians, Dispensing Assistants, Healthcare Assistants and Drivers, all receive consistent rates of pay, irrespective of their gender, for their roles they perform.

The retail sector, which Rowlands falls within, tends to attract a higher proportion of female employees (validated by ONS employment labour market data), and this is reflected in our workforce data. Looking back, we have seen little change in the gender make up of our workforce in 2018 from 2017; females continue to be the majority of our retail population (almost 80%), with part time hours being widely held (female part time workers constitute 60% of our employees).

In comparison to 2017, both our overall mean pay and mean bonus gender pay gaps have both slightly increased. In relation to what we believe has contributed to this, we can see in the subsequent pay quartile data that there are now more males in higher paid positions (i.e. in the top quartile) and a higher number of females in the lowest quartile. We recognise and acknowledge that our gender pay gap highlights that we have to continue to focus on ensuring we have a fully inclusive working environment.

Conversely, our median pay gap figure has now closed and shows an equal median of 0.0% for both pay and bonus which is positive to see.

**We would like to acknowledge a genuine error made when reporting the mean and median bonus pay gaps in 2017. Unfortunately we did not remove those who did not receive a bonus in 2017 from the final part of the mean/median calculations, which have resulted in inaccurate figures being presented. We have updated the table below to accurately reflect last year's figures.*

Mean and median pay gap

| Year | Mean | Median |
|------|-------|--------|
| 2018 | 18.2% | 0.0% |
| 2017 | 17.2% | -3.2% |

Mean and median bonus pay gap

| Year | Mean | Median |
|------|--------|--------|
| 2018 | 58.1% | 0.0% |
| 2017 | *54.6% | *0.0% |

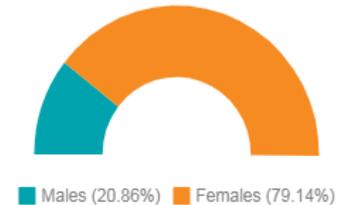
Proportion of males and females receiving a bonus



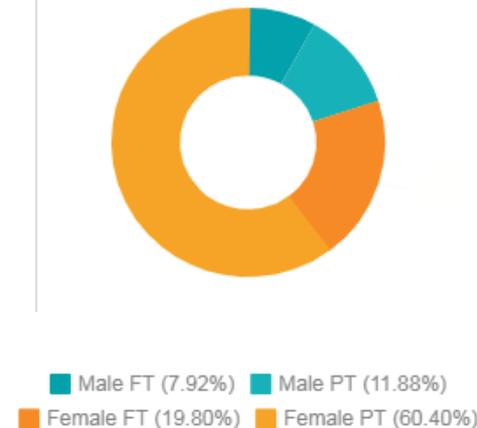
4,579

People employed

Gender split



Gender split by part time and full time employees



L.Rowland & Company (Retail) Limited



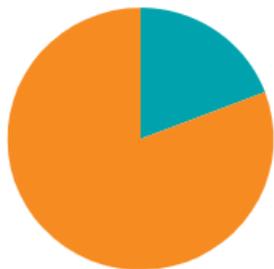
The illustrations below show the proportion of males and females that fall into each quartile pay band. This is achieved by dividing our workforce into four equal parts in line with the calculation requirements.

In the previous year, there was a heavier weighting of male colleagues in our lower pay quartile. Consolidation of certain pay bands in 2018 means that we now see a more consistent gender distribution across each of our quartiles, clearly visible below.

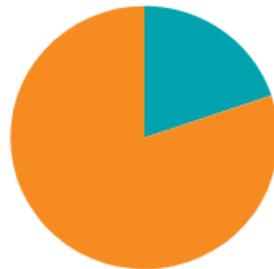
In our upper quartile, the most common high-paid role is Pharmacist / Manager / Relief Pharmacist. We see an increase from 2017 in the number of males earning the highest rates of pay (from 24% to over 26% in the upper quartile, and from 4% to 13% in the upper middle quartile). We believe this to be due to employing a greater number of Pharmacist roles than the previous year. Whilst these roles are still largely occupied by females (65%), the number of males occupying these roles has increased from 2017 (up by 10% to 35% in 2018). Further to this, more males are also occupying a number of other roles in those upper quartiles across supporting functions that were deployed in the Rowlands retail establishment at this point in time including IT, Marketing, Finance and other Retail related central operations .

As a result of these two key changes (pay consolidation and an increase in the number of males occupying higher paid posts) we see the impact in our 2018 pay gap figures.

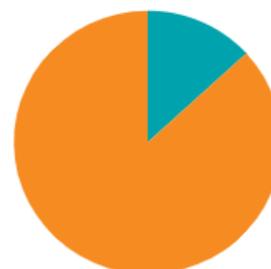
Lower Quartile



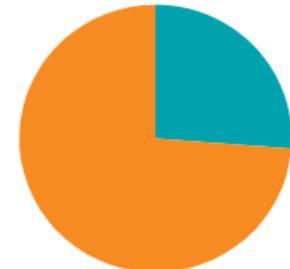
Lower Middle Quartile



Upper Middle Quartile



Upper Quartile



■ Male (19.20%) ■ Female (80.80%)

■ Male (19.80%) ■ Female (80.20%)

■ Male (13.20%) ■ Female (86.80%)

■ Male (26.20%) ■ Female (73.80%)

Our commitment – progress & action



The PHOENIX UK Group is fully committed to being an inclusive and future facing business and we are actively making changes to improve and develop our people so we can continue to grow our business together.

In response to a changing, demanding market the organisation went through a significant period of review in 2018 to get fit for the future. The first step for the business has been laying solid foundations; getting an organisational structure and ways of working that will enable consistency, flexibility and rigour. As a result of this, commitments made in our initial report in 2017 are in many cases, ongoing, as our focus has been on making headway to enable these activities to progress further, faster and deeper in subsequent steps.

In 2019 our reward strategy and people plans will be where our efforts and attention will primarily turn to, and we will look to develop and embed actions from these across the organisation - both in response to our gender pay gap data (and broader people intelligence) and also in response to our 2018 colleague engagement survey.

This activity will include;

- Maintaining an ongoing review of structure, roles and responsibilities to ensure the organisational form remains agile and role profiles relevant to a rapidly changing sector landscape
- Increasing our use of business intelligence data and people analytics – including more proactive monitoring and benchmarking in key areas such as pay and benefits
- Further development of our inclusive employment offer – reviewing flexible working arrangements, introducing employee networks and enhancing career development pathways

We recognise that these are not short term wins and will require a sustained and concerted effort in coming months and years. However, we are not complacent about our commitment to do all we can in closing our gender pay gap. We are confident that our commitments will support this.



Gender Pay Gap - 2018

L.Rowland & Company (Retail) Limited