

SHUROPODY

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FCFM Group Investment VI Ltd t/a Shuropody

Gender Pay Gap

Report 2019

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Who is Shuropody?

Having opened our first practice in 2008, we are the UK's leading private provider of Podiatry and Chiropody, offering 109 clinics nationwide serving more than 240,000 patients each year. These services amount for c. 50% of our business with the remainder attributed to Products – retail of orthotics, comfort footwear and other footcare products.

Shuropody has been through a challenging period of time recently, with another CVA mid-2018 and in December 2018 went into administration. Just before Christmas, FCFM Group Investments purchased the business and the assets meaning that all employees transferred under TUPE regulations and has allowed the business to continue trading to offer podiatry services and footwear to our patient and customer base, as well as retain jobs for all our employees. The business is now owned by FCFM Group Investments VI Ltd who are trading as Shuropody.

Our People

In delivering our mission 'to provide our patients with an outstanding foot care experience' we have over 118 qualified Podiatrists who, as well as providing overall foot care advice, offer our patients a range of treatments, including; podiatry/chiropody services, biomechanical assessments, custom made orthotics, cryotherapy, reflexology and nail surgery. We also employ a number of Foot Health Practitioners who undertake training to recognise, assess and treat commonly occurring foot conditions.

Each and every one of our practices has a team of foot health experts from our Podiatrists, Foot Health Practitioners and Foot Care Assistants who are passionate about your foot health, with a wealth of knowledge about podiatry/chiropody services, orthotics, comfort footwear and foot care products for a complete foot health service. These teams are supported by store managers.

Our support office is based in Wolston, Coventry and is home to our central teams which includes Buying, Merchandising, Marketing, Ecommerce, HR and Finance. The Support Office works as a support for both the practices, regional operation team and the office itself.

We are a fair and reasonable employer, and are committed, and always have been, to creating and offering equal and fair opportunities for all in terms of career fulfilment, progress and reward.

Gender Pay Gap Report

Following the regulations of Gender Pay Reporting, we have compiled this report as at the pay period including the snapshot date of 5th April 2018 for 401 employees. For the purposes of the report, you will see a breakdown of calculations which covers our retail employees, podiatrists and support office alongside the totals across the company.

Although the business is now owned by FCFM Group Investments VI Ltd, the employees included in this report have all transferred under TUPE regulations and hence the data for the snapshot date has been retained.

The gender pay gap is different from equal pay in that it illustrates the differences in the average pay between men and women rather than pay for the same, similar jobs or work of equal value. The hourly rate of pay includes ordinary pay (which includes particular allowances in line with the regulations) and bonus pay.

All calculations in this report have been prepared in accordance with the regulations and provide information on our gender pay gap using six different calculations: mean gender pay gap, median gender pay gap, mean bonus gender pay gap, median bonus gender pay gap, proportion of males receiving a bonus payment, proportion of females receiving a bonus payment, and proportion of males and females split into quartiles.

The mean gender pay gap compares the average hourly rate of pay for males and females. The median gender pay gap is the difference in the hourly rate of pay for a female in the middle of her group compared to a male in his, by ranking the hourly pay rate from lowest to highest. The same is done for the bonuses earned over the 12 month pay period including 5th April 2018 and proportion of those who received bonuses.

The report also illustrates the proportion of men and women in four pay quartiles. The quartiles are calculated by splitting employees into four groups of an equal number of people, based on their pay.

OVERVIEW

Percentage Breakdown of Staff - Male: Female

	Retail %		Podiatry %		Support Office %		Total Headcount %	
Male	35	13.9	20	16.4	7	25.9	62	15.5
Female	217	86.1	102	83.6	20	74.1	339	84.5

Based on a headcount of 401 employees on the snapshot date including 5th April 2018, it is clear that the majority of our workforce is female across all three areas. This has not changed since the previous report and the reason remains the same in that due to the nature of the service and product we offer, it attracts a female market.

The most recent statistics published on 1st February 2019 by the HCPC (Health and Care Professionals Council) shows that 75% of registered Podiatrists and Chiropodists are females ; this figure has not changed since the previous year.

Our retail and support office employee groups have also not changed since the previous year, due to a high proportion of our female part time workers who have requested flexible working, being primary caregivers and the company offering more flexible working to fit in with childcare, job share and other commitments.

This year's report shows 70% of employees are part time workers of which only 11.7% are male.

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OUR GENDER PAY GAP FIGURES

Our mean gender pay gap shows that the average hourly rate of pay (including bonus) for women is 24.1% lower than the average hourly rate of pay for men.

Our median gender pay gap shows that the hourly rate of pay of a female in the middle (from a ranking of lowest to highest) is 19.5% lower compared to a male in the middle (from a ranking of lowest to highest).

	Total	Retail	Podiatry	Support Office
Mean	24.1%	4.5%	13.2%	60.4%
Median	19.5%	-0.2%	3.0%	57.2%

Our retail employees show the smallest gap and this number has reduced by almost 2% from the previous year. The type of work is similar and the opportunity to earn bonus for certain sales in our stores are a standard set rate for all regardless of gender, hours worked, level of experience etc. Following the minimum wage/living wage increases, we have reviewed salaries for store managers in particular across our portfolio of stores, to reflect their responsibility level and the market rate, along with considerations of cost of living impact geographically. As 67% of our store managers are females, this has clearly impacted the group positively.

Our small number of podiatry locums included in the report do distort the figures above, as it is known that they earn a higher hourly rate (in some cases double), simply because they are categorised as contractors and do not have access to additional benefits a contracted employee would receive. However, the figures illustrate the reverse of the previous year in that female podiatrists are earning on average 13.2% less than their male counterparts.

Support office figures have also increased meaning the gap between males and females has widened. Investigation shows that a number of senior females in the office were on maternity leave during the relevant pay period which may have affected the figures. It is also due to the high earners (particularly in Finance) who were contracting at that period of time which has also distorted the figure.

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OUR GENDER BONUS PAY GAP FIGURES

As there are more females within the business, there are more women who clearly earn bonus on selling certain products/services in our stores.

The figures have identified an interesting change this year, in that although females earn on average more than their male counterparts, it is the males in the middle of their group who earn more than females, with the exception of support office. This is because the high earners distort the mean figures.

The mean bonus pay for podiatry favours females due to a small number of long term employees who are on TUPE contracts with a historically old bonus scheme which pays a high rate, compared to other podiatrists on recent company contracts that do not have this in place. There are no males on these TUPE contracts so we cannot compare like for like.

Support office figures are anomalies in that during the relevant bonus period, a bonus trial was introduced for two new roles which does not exist currently. The new roles were split evenly between male and female and it was the females who outperformed in bonus payments.

Given the situation of the business over the last 12 months, we do aim to introduce a standard bonus scheme to replace all which would be a equal payment to all employees regardless of role within the business, however this would be based on business performance and profits overall. We are not in the position to offer this yet, however are looking at options potentially for the future with new investment on board.

	Total	Retail	Podiatry	Support Office
Mean	-42.9%	-17.0%	-80.1%	-1036.8%
Median	23.0%	13.0%	40.0%	-1036.8%

	Total	Retail	Podiatry	Support Office
Male proportion	80.6%	97.1%	70.0%	28.6%
Female proportion	88.5%	94.0%	92.2%	10.0%

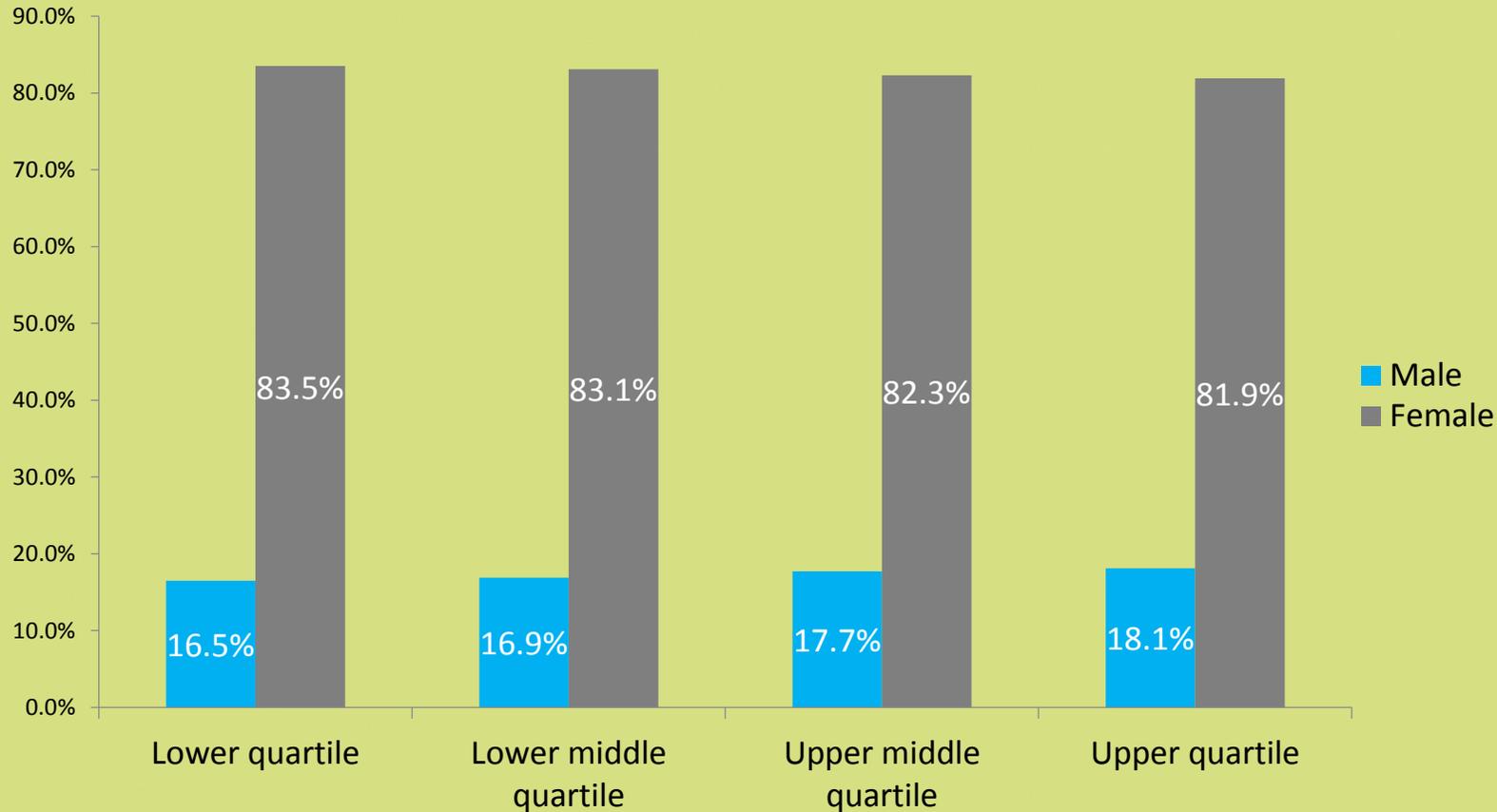
N.B Podiatry locums have not been included in these figures as they do not earn and receive any bonus pay.

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GENDER PAY QUANTILES

The below chart shows the total percentage of men and women in each pay quartile. Quartiles are calculated by ranking each employee's hourly pay rate by lowest to highest in a list and then splitting into four groups with an equal number of people in each. It is not based on banding of salary for each position.

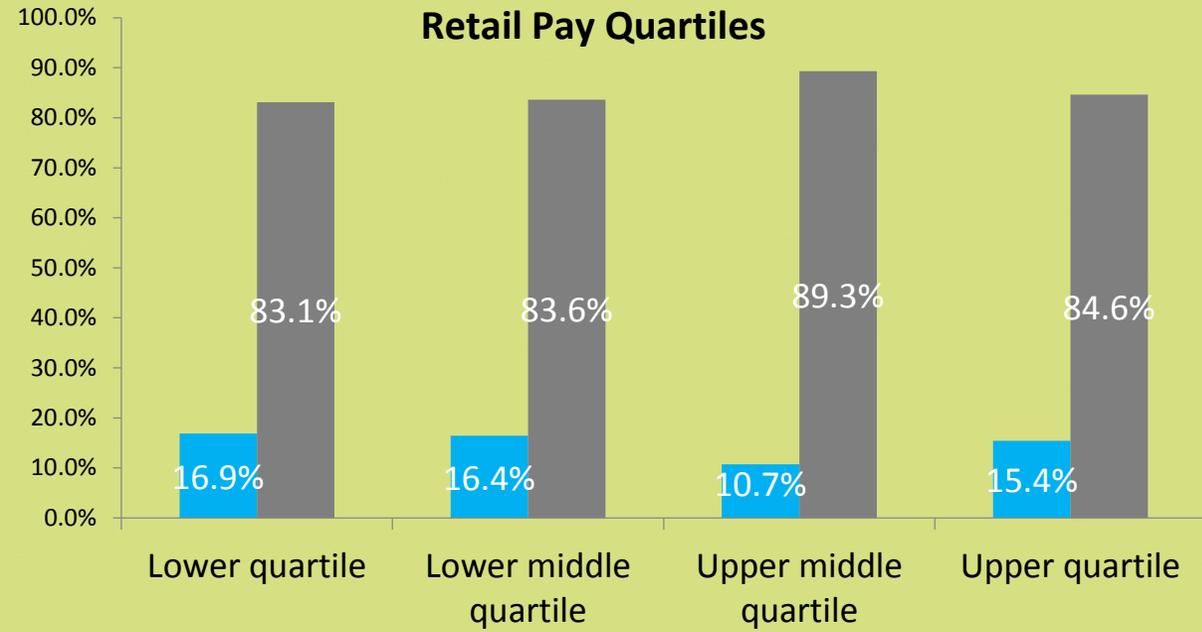


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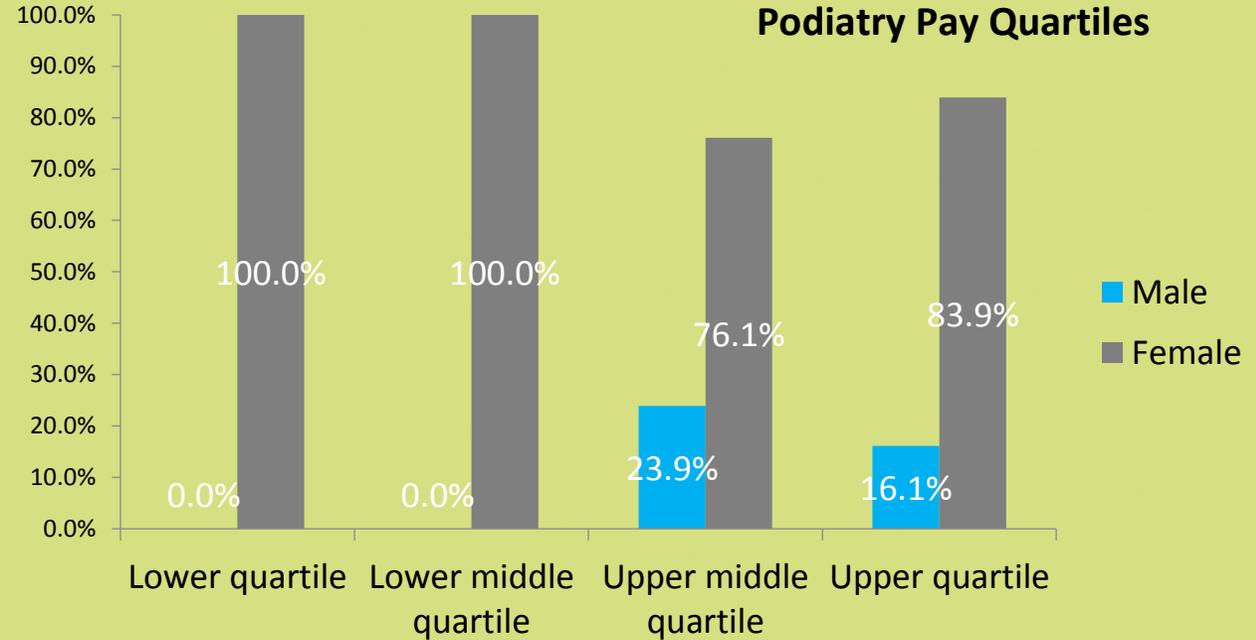
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The following charts illustrate the breakdown of these quartiles into the specific groups of the business:

Retail Pay Quartiles



Podiatry Pay Quartiles



Although the percentage split between females and male in retail has remained similar to the previous year, the quartiles show a more even distribution of hourly pay for both genders. This is mainly due to the work we have completed in reviewing salaries alongside minimum/living wage increases and standard bonus payment rates for all.

**Note: the information for each group (retail, podiatry and support office) has been extracted from the data and chart on the preceding page showing total.*

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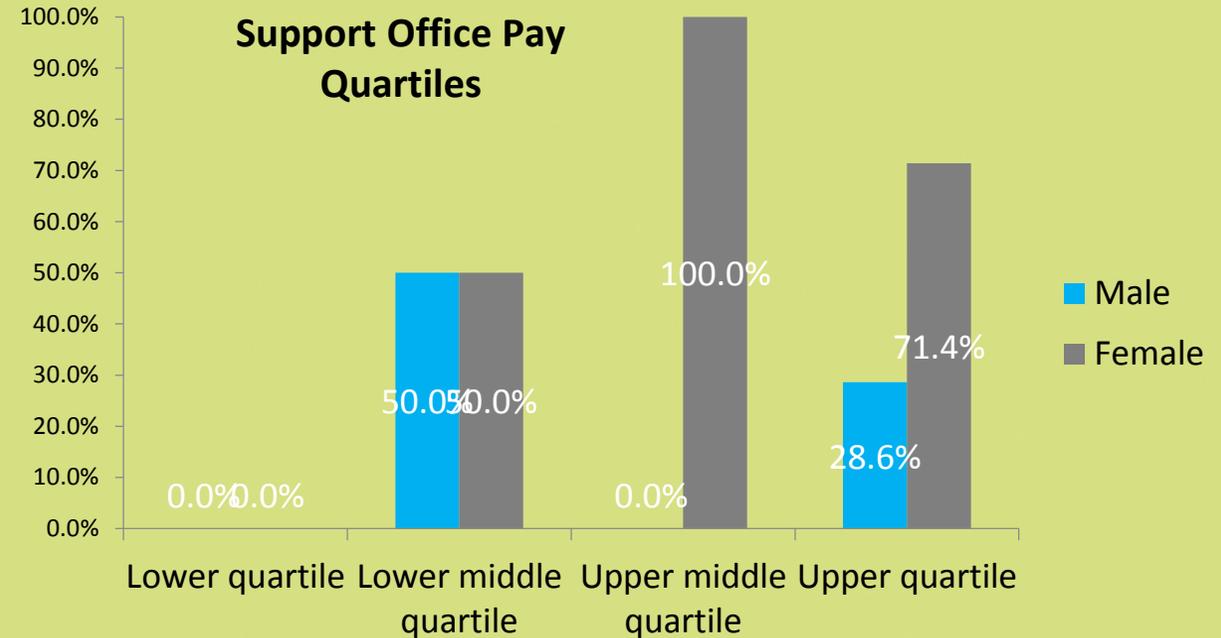
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Within Podiatry, this year we see a number of females move into the lower quartiles.

Since the removal of the bursaries in podiatry, the market has seen a reduction in the number of podiatrists seeking a qualification in the profession. As predicted this year we have seen a rise in the number of Foot Health Practitioners (qualified at diploma level) in the market who attract a significantly lower entry level salary due to the reduced skill level in comparison to a podiatrist.

All FHP's within the business are females which is evidenced in the pay quartiles and explains why the median gap has changed in that females are earning lower than males in that group.

There is still a significant difference between males and females in support office as the higher earners in senior roles attracting high salaries are males. During the period of the figures reported, there were a number of females from the office on maternity leave affecting pay. Having said that, compared to last year the percentage of females in the upper quartiles has increased and there are no females and males in the lowest quartile.



*Note: the information for each group (retail, podiatry and support office) has been extracted from the data and chart on the preceding page showing total.

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NEXT STEPS

The last 12 months have been particularly challenging for the company and the employees; CVA, administration to current new investors and owners. There has been an immense amount of change for everyone involved and this has impacted on the people strategy somewhat financially.

With the new investors on board, we are in a great position to do more for our employees and review additional payments and salaries. For example, focusing on driving “location supplements” to enable a better rate of attracting candidates in locations where it is most challenging to recruit, as well as a bonus payments for referring a podiatrist available to any contracted employees within the business. It is important to retain, so that we can reduce the reliance on locums and this costs to re-invest back into our stores.

We are also this year funding training for our existing staff but also external candidates to become fully qualified FHP’s. This will further stabilise the salary within the quartiles.

We are faced with external factors as mentioned previously in regards to the podiatry profession being female pre-dominated, and as highlighted through the HCPC’s figures. Despite this, we are optimistic that we will be able to reduce the gap overall within the business.

The figures will take some time to improve and we are committed in doing this. We are already seeing the gap reducing in some areas as highlighted in this report and it provides us with the confidence that we are able to drive this in the right direction with the new investors on board.

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FCFM Group Investment VI Ltd t/a Shuropody is fully committed to an equal pay structure and we are confident that our gender pay gap is not due to men and women being paid differently to do the same job, but due to the structure of the business which is steered by the services/products we offer.

Whilst retail remains stable to an extent, the main differences are found in our support office again and bonus within podiatry, which has been explained in the report already. These are individual to people particularly in support office and cannot be compared to another in terms of pay. However, where possible we will review options to reduce gaps in pay.

The figures and information from this report has given us greater insight into the differences in pay for our employees a year on from the first report. With the new investors on board, we are reviewing our strategy for the future success of the business and how this impacts our people, as well as any additional changes that could be made to reduce and eliminate the gaps either way.

We can confirm that this report and the information within is accurate.



John Kinnaid
Managing Director



Sharan Mohiki
Head of HR
