

J D Wetherspoon plc

Gender Pay Gap Report 2020



What is the gender pay gap?

The gender pay gap is a measure of the difference in the average pay of men and women across the company – regardless of their role.

How are the median and mean gaps calculated?

We have used those calculations set out in the gender pay gap reporting regulations¹.

The 2020 results

There were only 52 employees deemed to be in relevant employment on the snapshot date of 5 April 2020, most based at head office. An additional 42,768 employees had been placed on the coronavirus job retention scheme (CJRS) and were on furlough on the snapshot date; they have not, therefore, been included in the calculations. Those results are shown below in column '2020 – A'.

In order to provide a comparison with previous years, however, the same calculations were made based on the 42,820 employees who, before the COVID-19-related lockdown on 20 March 2020, were working in our pubs, hotels and at head office, within Great Britain and Northern Ireland (employees in the Republic of Ireland were not included). Those results are shown below in column '2020 – B'.

	2020 – A Employees deemed to be in relevant employment	2020 – B All employees before the COVID-19-related lockdown	2019	2018	2017
Employee numbers	52	42,820			
Male/female employees (%)	65/35	47/53	48/52	49/51	49/51
Median gender pay gap (%)#	22.78	-0.45	0.23	1.21	2.53
Mean gender pay gap (%)#	28.61	3.97	4.17	4.45	5.23
Median bonus pay gap (%)#	25.39	25.39	29.47	27.48	27.68*
Mean bonus pay gap (%)#	34.82	34.82	38.12	41.39	39.71*
Male/female receiving a bonus (%)	89/90	89/90	90/91	89/90	87/87
Upper quartile male/female (%)	92/8	50/50	48/52	55/45	55/45
Upper-middle quartile male/female (%)	62/38	44/56	52/48	50/50	54/46
Lower-middle quartile male/female (%)	46/54	52/48	48/52	43/57	40/60
Lower quartile male/female (%)	62/38	43/57	42/58	46/54	45/55

*Figures for 2017 were amended in 2018 to include a missed bonus payment for 51 employees.

#A positive pay-gap figure means that, on average, men earned more than women; a negative pay-gap figure means that, on average, women earned more than men.

Understanding the results

Regulations require that the median and mean bonus gap results be calculated on the value of any bonus earned, taking no account of hours worked. On average, female employees work fewer hours. On a 'per hour' calculation, which is the method of calculating the median and mean pay, the median and mean bonus gap is 2.8% and 15.2%, respectively (2019: 3.1% and 16.4%).

All employees, irrespective of job role or length of service, are eligible for a bonus. In the financial year ending July 2020, 89% of all employees received a bonus – and 98% of all bonus payments were made below board level (2019: 91% and 98%).

Further details are provided in appendix 1.

Declaration

I am confident that the data and information reported are accurate as of the snapshot date of 5 April 2020 and have been calculated according to the requirements of The Equality Act 2010 (Gender Pay Information) Regulations 2017.

John Hutson
Chief Executive
10 June 2021

¹ <https://www.gov.uk/government/collections/gender-pay-gap-reporting>

Appendix 1

£428 MILLION IN FREE SHARES AND BONUSES PAID TO EMPLOYEES SINCE 2006

83 per cent paid to pub staff

03 Mar 2021 • Wetherspoons news

Note from editor: Wetherspoon has been named as a top employer by the Top Employers Institute for the last 17 years in a row (as featured on The Guardian newspaper's website). The article below outlines Wetherspoon's bonus and free shares scheme. No company is perfect, but Wetherspoon believes that it pays a higher percentage of its profits in this way than most, or possibly any, large companies.

£428 MILLION IN FREE SHARES AND BONUSES PAID TO EMPLOYEES SINCE 2006 83 per cent paid to pub staff

Since the early 1980s, Wetherspoon has awarded bonuses, free shares and 'share options' to pub employees. The current scheme of paying monthly bonuses to all pub employees, subject to certain criteria, started in 1998, with a government-approved free share scheme introduced in 2003.

Bonuses and share schemes provide an extra incentive for people to stay with the company: there are 10 employees who have worked for the company for over 30 years, 326 for over 20 years, 3,049 for over 10 years and 8,827 for over five years.

Since 2006, the company has paid £428 million to its employees in respect of bonuses and free shares.

Of the recipients, approximately 96 per cent were employees below board level, with around 83 per cent paid to employees working in pubs. Employees are eligible for bonuses from the commencement of their employment and are eligible for free shares after 18 months. In the financial year ended July 2020, when pubs were closed for a substantial period and the company made a loss of £29.9 million, bonuses and free shares of £33 million were awarded (see table* below), with 97 per cent of employees receiving a bonus and/or shares in that period.

In previous financial years, when pubs were open for the entire time, substantially higher payments were made. For example, £46 million was awarded in 2019, when 97 per cent of staff also received a bonus and/or free shares. At the current time, 15,032 of our 37,582 employees have been awarded free shares in the company.

It's probably true to say that no one earns a vast fortune from these schemes. However, as far as the company is aware, Wetherspoon consistently pays a bigger percentage of its profits to its employees, by way of bonuses and free shares, than any other large pub/restaurant company or retailer – more even, in the last five years, than John Lewis – a company owned by its employees.

Since the share scheme was introduced, Wetherspoon has awarded 20.6 million shares to employees – approximately 16 per cent of all shares in existence today. Wetherspoon's chief executive, John Hutson, said: "People are vital to the success of the business. Our bonus and share schemes are a good way to share in the company's success. A small number of pub employees, who have never sold any of the shares given to them, each have shares worth more than £350,000."

Wetherspoon: Bonuses and free shares V profits, 2006–20

Financial year	Bonuses and free shares	Profit after tax	Bonus etc as % of profit
	£m	£m	
2020	33	-30	-
2019	46	80	58
2018	43	84	51
2017	44	77	57
2016	33	57	58
2015	31	57	53
2014	29	59	50
2013	29	65	44
2012	24	57	42
2011	23	52	43
2010	23	51	44
2009	21	45	45
2008	16	36	45
2007	19	47	41
2006	17	40	41
Total	428	777	55

*Source: J D Wetherspoon plc's annual reports and accounts 2006–20