

# GENDER PAY GAP REPORT

## 2020

Since April 2017, organisations with 250 or more employees have been required to publish a report annually detailing the gender pay gap, using six key metrics specified in the legislation.

Traditionally the workforce in our industry has been predominantly male so analysing our gender pay gap provides focus on this particular issue and demands we try and understand why it is an issue and what we can do about it.

This is our fourth report that covers the snapshot date of 5<sup>th</sup> April 2020. All figures are based on a headcount of 328 employees.

### WHAT IS A GENDER PAY GAP?

A gender pay gap highlights a difference in the distribution of each gender throughout the pay range of an organisation. It does not consider a person's role or level. The gaps are expressed as either very basic percentages, which use the middle or average value from each gender or the balance of each gender within four equal quarters of the pay range. The latter is a much more robust measure and is not susceptible to gender-imbalanced populations (as found in the majority of construction firms).

### IS A GENDER PAY GAP THE SAME AS AN EQUAL PAY ISSUE?

No, equal pay issues arise when a man and a woman are paid differently when employed to do similar work, equivalent work or work of an equal value<sup>1</sup>. You can have equal pay issues without a gender pay gap and vice versa.

### WHY IS THERE A GENDER PAY GAP IN THE UK?

The current gender pay gap is primarily a reflection of the history of employment in the UK. Historically women have tended to work in less senior roles and in lower paid occupations. Also, women are much more likely to work part time and take time out due to caring responsibilities. However, these excuses are no longer valid with the advent of flexible/agile working coupled with technological advances. It will take many years to rebalance the workforce, but it is possible given the right culture and focus.

### GENDER PAY GAP AT TELFORD HOMES

The following table shows our mean and median gender pay gaps for April 2020, last year's figures and the 2020 construction sector average<sup>2</sup>. Our mean gender pay gap of 25.8% means that the average women earned 74p for every £1 the average man earned.

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<sup>1</sup> The Equality Act 2010

<sup>2</sup> Construction sector average contains organisations that have been affected by COVID-19.



Pay Gap	2020	2019	Construction 2020
Mean	25.8% ↓ 2.0%	27.8%	22.0%
Median	24.6% ↑ 5.1%	19.5%	23.8%

### EMPLOYEES WHO RECEIVED BONUS PAY

The following table shows the proportion of men and women who received bonuses (company and performance) during the 12-month period to 5<sup>th</sup> April 2020. Even though this period covers a year because bonuses were paid in May, anyone joining past this will not have received a bonus in the period.

Gender	Bonus paid
Men	95.7%
Women	93.0%

Notwithstanding this our figures do show that everyone has an equal opportunity to earn a bonus at Telford Homes and our bonus policy applies to all employees regardless of gender.

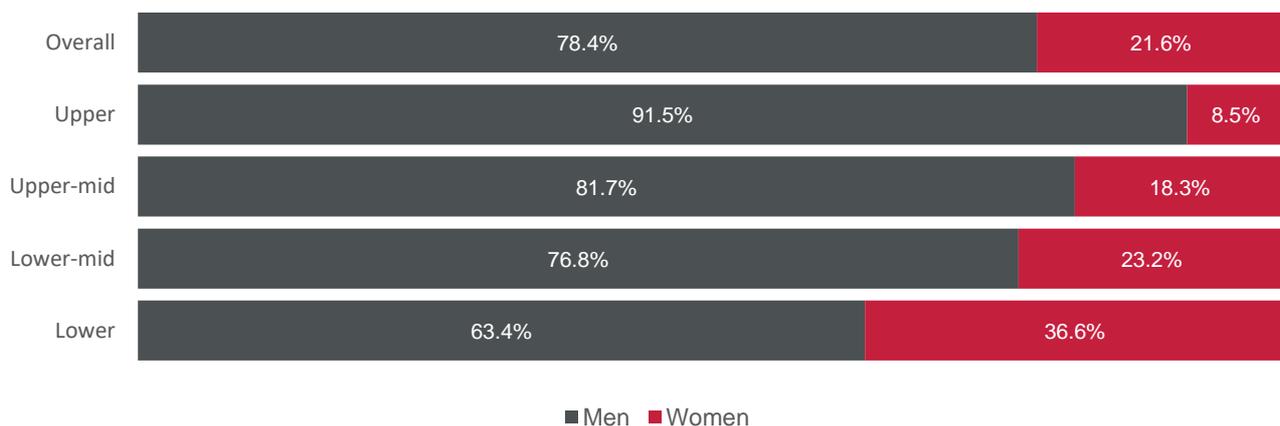
### GENDER BONUS GAP AT TELFORD HOMES

The following table shows our mean and median gender bonus gaps.

Bonus Gap	2020	2019
Mean	34.6% ↓ 5.7%	40.3%
Median	26.2% ↓ 0.6%	26.8%

### DISTRIBUTION OF EMPLOYEES ACROSS THE PAY RANGE

The following chart illustrates the distribution of employees across the pay range. The top bar shows the overall gender balance for men and women at Telford Homes. The following four bars show the gender balance for each quarter of the pay range. This is simply done by listing every employee by their hourly rate and splitting the list into four equal quarters. A gap exists where any of the lower four bars differ from the top bar. For instance, there should be 21.6% women in the lower quarter, but there are 36.6% - this extra 15% of low paid women contribute to the median gender pay gap.



## HAS OUR PAY GAP CHANGED SINCE LAST YEAR?

Our mean hourly pay gap has slightly decreased since last year. This is mainly due to an increase in our recruitment of women at the senior level, coupled with the stabilisation and retention of our female population.

We do recognise the imbalance between men and women in our promotions, however this imbalance is due to there being more men in the roles where promotions took place.

While we are addressing the male to female ratio in the number of women currently in senior roles, the ratio of women in these roles remains low in comparison to men. This is not surprising considering our industry and this will take time to change. We are constantly reviewing our current practices to redress this wherever possible in the longer term.

Overall, we still compare favorably with the rest of the construction industry which reported median pay gaps at an average of 23.8% in 2019.

## WHAT ARE WE DOING TO ADDRESS OUR PAY GAP?

Our gender pay gap does not exist because men and women are paid differently for carrying out the same roles. The way men and women participate in the labour market (labour market participation) and the types of jobs that men and women do (occupational segregation) are two of the main drivers of our gender pay gap.

Given the above we continue to take a long-term approach and believe that encouraging women into the industry to build a career will ultimately address the gender pay gap in construction. Two of the most successful ways we can do this are to ensure we are creating opportunities for women to experience the construction workplace and to keep adding to our female trainee population, who currently represent a quarter the total number of trainees in our business.

## ADDITIONAL

### PARTNERING

We continue to partner with several organisations to promote careers within construction for females, for example, Pathways, an organisation who works with young women in school and college to encourage them to consider a career in construction.

## RECRUITMENT

We continue to review our recruitment practices to enhance the recruitment experience for women, and have done the following:

- Embedded our improved recruitment system which provides us the ability to target a wider and diverse pool of candidates
- Embedded our structured interview guides to ensure consistency and fairness to all potential candidates, regardless of gender.

## WORKING PARENTS AND CARERS

We have worked hard to understand how we can better support those during long-periods of absence due to maternity / shared parental leave. Building upon improved maternity/shared parental leave and returner processes that includes better communication during maternity leave and just before return to work, we have increased our paid maternity leave to 100% of base salary during the ordinary maternity leave period. Where Shared Parental leave is exercised, the same principles apply.

We continue to commit to improving diversity in our business because we understand this makes us a more attractive

employer, contributes to business success, and reflects the communities in which we operate.

**CONFIRMATION STATEMENT**

I confirm that the information contained in this report is accurate.

Signed:



Jon Di-Stefano  
Chief Executive Officer