BMS Section: Human Resources (HR)

GENDER PAY COMPANY STATEMENT 2018



Introduction

Dawnus is a leading civil engineering and construction company with circa 700 employees. The Company currently operates across the UK and overseas. Established in 2001, Dawnus has grown from £2 million turnover in 2002 to circa £200 million.

Our approach is founded on a direct delivery philosophy. We aim to deliver as much of our projects as possible using our in-house resources. This provides cost control, quality and flexibility of delivery, and reduces the number of parties seeking to profit from the works. We directly employ a diverse workforce of skilled operatives and tradesmen, and we maintain a large, varied and modern plant holding.

Our projects are led by highly skilled, professional teams that combine all our expertise with that of clients, consultants and the supply chain in a collaborative manner.

A key feature of our approach is that we assemble a core team at the initial enquiry stage, who then go on to plan, programme and manage the project through to completion, ensuring understanding and continuity from tender through delivery and completion.

As our teams work on all stages of the project, from tender stage to completion, they gain a comprehensive knowledge of the project process, from planning and programming to practical site issues. We implement feedback and learning processes to ensure that we capture and share information about our performance and continually improve our service.

In addition to self-delivery of civil engineering works, the Dawnus Group offers a range of complementary services through our subsidiary companies:

- Quantum Geotechnical, a direct geotechnical investigation and geo-contracting team who assess and manage ground risk.
- Legsun Building Services, which enables us to directly deliver mechanical and electrical services and control these critical tasks in-house.

Equality and Diversity

Dawnus is committed to ensuring equality in the workplace, encouraging a diverse workforce and maintaining a workplace where all people are comfortable, that they are able to make a contribution, and that they feel valued and included. We work to ensure that we promote equality, diversity and inclusion in all our operations.

We recognise that a diverse workforce and inclusive workplace bring numerous benefits to the Company; by promoting equality, diversity and inclusion we improve communication and understanding between different people, building more effective teams. This also allows us to communicate and collaborate more effectively with clients, our supply chain and other parties, for example project end users, and site neighbours.

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Dawnus operates an Equality, Diversity and Inclusion (EDI) Policy that meets the requirements of the Equality Act 2010. Protected characteristics that are covered by our EDI policy are:

- Age
- Disability
- Gender
- Gender reassignment
- Marital/civil partnership status
- Pregnancy or maternity
- Religion or belief
- Sexual orientation
- Race (including colour, ethnic/national origins and nationality)

We have Investors in People accreditation, which promotes equality and diversity, and have signed up to Disability Confident (Level 1: Committed), which ensures that disabled people or those with health conditions are given opportunities.

Our EDI policy is also supported by commitments in our Corporate Social Responsibility Policy and Ethical Code of Conduct.

We are currently updating our company-wide processes and procedures to ensure compliance with the Welsh Government's Ethical Employment in Supply Chains Code of Practice; the Code of Practice requires us to adopt best practice in preventing unethical employment, including prevention of modern slavery and human rights abuses, blacklisting, false self-employment, and unfair use of umbrella schemes and zero hours contracts. We will apply these practices to our operations globally, not only in Wales.

Pay and Reward

Given the competitive nature of the labour market in which we operate and to reflect the importance of the direct delivery philosophy, the need for highly skilled and professional teams is paramount. The pay range for each post is determined to fairly reward staff contribution and performance, taking into account economic/financial considerations, organisational and individual performance and the pay rates of similar roles in the wider economy.

We operate a single pay structure for salaried employees. Salaries for Directors sit outside this range. For operatives and craft personnel, our pay and terms mirror those nationally agreed by the various joint councils. Individuals are not contractually tied to nationally agreed terms and conditions as part of collective agreements. They are all employed on Dawnus terms and conditions with the exception of Legsun employees who are employed directly by our subsidiary Company Legsun Building Services.

Pay may sometimes fail to attract suitable candidates for specific posts because of changing labour market pressures. In such situations, Operational Directors together with the Director of Human Resources consider a supplementary payment to improve basic salaries.

Pay levels have historically been reviewed annually as part of the annual budget cycle. Local, regional and industry pay data, together with the financial position of the company is used to inform the decision-making process. Pay increases are normally implemented on 1st January each year.

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Other benefits include employer pension contribution of 7.5% for all salaried staff, private healthcare provision for all salaried staff which is non-contributory with reduced rates for family, death insurance cover of four time salary, employer contribution for operatives is currently 1% of contributory earnings which will be increased to 2% in April 2018.

Other benefits include childcare voucher scheme, flexible working, long service awards, professional institution membership, discretionary occupational sick pay etc.

Gender Pay Gap

The following table shows the difference between the average pay of male and female employees in the period February 2017 – February 2018 as a percentage.

The main reason for the gap relates to the difficulties in recruiting female employees both in the technical and commercial parts of the business as well as the problems associated with recruiting females into traditional site operational roles.

Total Employees

	Male	Female	Total
First Quartile	122	37	159
Second Quartile	143	16	159
Third Quartile	140	19	159
Fourth Quartile	153	6	159

Median Hourly Rate

	Male	Female	Percentage Difference
All Employees	14.57	10.56	28%

Average Hourly Rate

	Male	Female	Percentage Difference	
All Employees	18.78	12.62		33%

Gender Percentage

	Male	Female
First Quartile	76.73%	23.27%
Second Quartile	89.94%	10.06%
Third Quartile	88.05%	11.95%
Fourth Quartile	96.23%	3.77%

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Bonus Pay

There is no formal bonus payment scheme in operation although historically subject to the year-end financial position of the Company, a nominal bonus payment has been given to all salaried staff with three or more months' service. This payment does not differentiate between male and female employees.

Actions to Address Pay Gaps

We are committed to reducing/closing our pay gaps as reported above and have developed the following action plan which seeks to do so. The actions to be taken will include:

- Reviewing pay and/or bonus procedures and practices to ensure they are applied fairly and equitably.
- Monitoring the outcomes of management decisions in relation to pay and/or bonus to ensure no gender, or other, bias is occurring.
- Review our recruitment processes to try and attract more female candidates for roles which are currently under-represented.
- Working more closely with schools/colleges to develop a better understanding of employment opportunities within the sector generally and the Company in particular including offering "taster" work experience placements.
- Considering how different types of flexible working can be made more widely available.

These will need a period of time to take effect. We will be monitoring progress on a regular basis and reporting on this in future Gender Pay Gap Statements.

These actions are part of, and integrated with, our broader approach to equality and diversity and inclusion.

Nick Down Group Managing Director Dawnus Group Ltd April 2018