**GENDER PAY GAP REPORT 2021 - BELL DECORATING GROUP LIMITED**

This report sets out our headline gender pay gap figures. Our report details our snapshot date of 5 April 2021.

1.WHAT IS THE GENDER PAY GAP?

The gender pay gap is a measure of the difference between the average earnings of men and women across an organisation. In Britain, there is currently an overall gender pay gap of 7.9% and it is encouraging to see that this is decreasing each year.

The gender pay gap is not the same as equal pay. Equal pay relates to men and women being paid equally for equal work. We are confident that men and women are paid equally for doing the same role at Bell Decorating Group Limited.

We ensure that pay levels are fair and applied consistently, irrespective of gender. Our Board of Directors undertake an annual pay review exercise to ensure that pay levels are fair at every level of our organisation. We perceive equality in pay as being absolutely fundamental and our annual pay review reinforces our commitment to ensuring equality.

Whilst every organisation has a part to play in tackling the gender pay gap, the gap unfortunately tends to be higher in sectors such as ours, the construction sector. We recognise that there are a number of reasons for the gender pay gap such as the highest paid roles generally being male dominated.

The reporting obligations were implemented in 2017 and have been thought provoking. Our further research into the factors that have resulted in a gender pay gap at all have allowed us to further progress our own strategies on ensuring equality.

# LEGISLATIVE REQUIREMENTS

All UK companies with 250 or more employees as at the snapshot date of 5 April 2021, are required to publish specific gender pay gap information as follows:

* Mean gender pay gap which shows the difference between the mean hourly rates of pay that male and female full pay relevant employees receive;
* Median gender pay gap shows the difference between the median hourly rates of pay that male and female full pay relevant employees receive;
* Mean gender bonus gap shows the difference between the mean bonus pay that male and female relevant employees receive;
* Median gender bonus gap shows the difference between the median bonus pay that male and female relevant employees receive;
* Proportion of males and females receiving a bonus;
* Proportion of males and females by quartile pay band which is done by dividing the workforce into four equal parts.

The mean and median gender pay gap is based on hourly rates of pay as at 5 April 2021.

The mean and median gender pay gap considers bonus pay received in the 12 months leading up to 5 April 2021.

Pay quartiles look at the proportion of men and women in four pay bands when we divide our workforce into four equal parts.

# SUMMARY OF DATA

We have complied with our obligations and below, we have summarised our findings.

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| --- | --- | --- | --- | --- | --- |
| Mean Gender Pay Gap (%)   |  Median Gender Pay Gap (%)   |  Mean Gender bonus Gap (%)   |  Median Gender Bonus Gap (%)   |  Proportion of Males Receiving a Bonus (%)   |  Proportion of Females Receiving a Bonus (%)   |
|  13.61%  |  5.93%  |  36.54%   |  20.59%   |  75%   |  42%   |

|  |
| --- |
|  Proportion of Males and Females by Pay Quantile (%)   |
|   | Males (%)  | Females (%)  |
| Top Quartile  | 97%  | 3%  |
| Upper Middle Quartile  | 92%  | 8%  |
| Lower Middle Quartile  | 94%  | 6%  |
| Lower Quartile  | 90%  | 10%  |

# GENDER PAY GAP

This year, the average hourly rate is in favour of our male employees which has increased from 2.99% last year to 13.61% this year. Whilst this appears disappointing, there is an explanation for this increase. Shortly prior to the snapshot date of 5 April 2021, we transferred the majority of our female employees who are in more senior positions and therefore on higher salaries to our parent Company, Bell Group UK Limited. Our parent Company employs less than 250 employees and therefore a gender pay gap report will not be submitted. The transfer to Bell Group UK Limited was due to administrative purposes to enable internal reporting to be clearer and more transparent.

In addition, the Government’s Coronavirus Job Retention Scheme was utilised for some employees who received 80% of their normal wages and as such, have not been included in the calculation as they are not considered to be full pay relevant employees. This has an impact on the average hourly pay.

We are delighted to have female representation on our Board of Directors. In addition, we are in a very good position of having attracted women into our senior management roles at a tier of staff that sits just below our Directors. The majority of our employees at this level are female and in higher paid roles. We are very proud of our progress in recent years to enable us to attract females into some of our most critical roles.

Our senior female managers report directly to our Chief Executive and work closely with him in assisting the Company shape its strategies including addressing any equality issues and ways of encouraging more women into our business. We hold regular Strategy and Development meetings which are chaired by our Chief Executive and attended by our senior management team.

The women in our senior management roles and at Director level are passionate about addressing the stereotypical views that unfortunately continue to exist in our industry and keenly promote the message that construction is just as much for women as men. We took the opportunity during Women in Construction Week which ran between 6 and 12 March 2022 to promote this with a number of powerful interviews and blogs produced by our inspirational female employees.

# GENDER BONUS GAP

We have higher mean and median bonus gaps, however, we are pleased to note that these figures have reduced significantly since we started reporting our findings.

We operate primarily two types of bonus schemes. Firstly, we incentivise our Operatives in such a way that they have the opportunity to earn a bonus every week if they achieve the targets set. Secondly, we incentivise our managers and senior management teams with a bonus scheme which is linked to the Company’s performance. Our profit share scheme enables the opportunity for a bonus to be paid on an annual basis following the end of our financial year end. We are currently reviewing the terms of our profit share scheme.

We recognise that our gender bonus gap is due to a significant majority of our Operatives being men and as such, benefiting from the potential to earn a bonus on a weekly basis. We deem this type of bonus scheme to be fundamental in incentivising and retaining our Operatives. We continue to be in a landscape where there is a skills shortage in our industry and that is one reason that we are keen to ensure excellent levels of retention.

We will continue with our efforts to recruit more females into site based roles. Currently, 2.5% of our site based employees are female. Although this is higher than the national average of 1%, we know that there is much more work to be done in line with our passion for continuing to attract more females into our site based teams. The steps that we are currently taking are summarised in section 7 of this report.

An explanation for the lower proportion of females compared to men receiving a bonus is due to there being far less females in our site based roles and instead dominating some of the more senior positions where the terms of the bonus scheme are different. In addition, due to a number of our females in more senior roles transferring to our parent Company last year, these figures are somewhat skewed.

A further factor is that more women than men work on a part time basis in our organisation. Where bonuses have been paid to our part time members of staff, they are pro-rated to reflect the hours of work. We are an employer that encourages flexible ways of working where possible that suit the requirements of our employees and ensure a healthy work life balance.

This will have an impact on our gender bonus gap, however, we are keen to ensure that we continue being flexible with our employees where possible. It is important to us that our retention levels remain excellent and we are attractive to potential new candidates. We have seen an increasing number of applications being made for more flexible working from our male employees in recent times which is encouraging.

# CHALLENGES IN OUR INDUSTRY

We seek to make our industry attractive to females and part of that is ensuring that the roles that we offer are well paid to ensure that a good quality of life is possible for all our employees. This is further demonstrated by our commitment to pay our employees at least the National Living Wage, having received the accreditation in 2016.

Despite good progress, our organisation continues to be under-represented by females and we continue to be faced with challenges in fulfilling our desire to achieve a fairer balance in relation to the number of men and women that we employ. This is an area that continues to be high on our agenda and we continue to take positive steps to address that.

Attracting women to our industry remains one of our greatest challenges. A further significant challenge in our industry is a shortage of skills. This has an impact on both our business and the construction industry generally. As a leading property services contractor with an ethos for making positive changes, we have reviewed this issue and have attempted to address the skills shortage by introducing and developing Bell Group Academies and launching our very own SQA accredited Apprentice Training Centre in Scotland. We are a proactive employer committed to addressing not only any challenges that we face as a business but also ensuring that our activities benefit the construction industry as a whole. Further information on our Bell Group Academies and our Apprentice Training Centre is provided in section 7 of our report.

We are committed to improving gender balance and have taken a number of steps to make our business more attractive to a wider range of candidates as summarised below.

# TAKING ACTION

We have identified that the following key issues in our organisation continue to exist and we wish to continue addressing:

* We have a much higher proportion of men than women in our organisation; and
* Overall, we have fewer women than men in our operational roles.

We will maintain our efforts to attract more women at all levels of our organisation. In the past year, we have reviewed our practices around reward and recognition; people development and recruitment and induction with a particular focus on establishing if the scope for progression to senior roles is as transparent as it could be. We have introduced a number of new policies with enhanced entitlements and benefits in the last year including generous paid maternity leave.

# RECRUITMENT PROCESSES

We encourage applicants from under-represented groups and visibly promote ourselves as not only an employer of choice but one that supports women into the business at every level. This is ingrained in our recruitment practices and our Apprentice Recruitment Strategy which promotes and actively supports the recruitment of women into site based roles which are primarily occupied by men. We work closely with organisations such as CITB and the DWP to specifically target females looking for a career change and actively support awareness days such as Women in Construction Week.

We have developed specific recruitment literature which is used by our Community Engagement Co-ordinators to positively target females in the communities within which we deliver our services. We use examples of female employees who have been successful in our organisation which are used within adverts, case studies, videos, leaflets and at careers events across the UK. Our female employees are role models for future talent and we encourage them to share their experiences openly and honestly.

We recognise that there is still work to be done to establish a fairer balance in attracting females and as such are developing further strategies. This remains a work in progress albeit we have seen positive results to date.

# APPRENTICES

With a significantly lower number of women in operational roles, we continue to place inclusivity firmly on our agenda with a particular focus on our Apprentice recruitment drives. We actively recruit apprentices annually throughout the UK.

As a result of our apprentice strategy and our focus on attracting minority groups, our female intake of apprentices has increased year on year and we set our targets higher each year in relation to the recruitment of female apprentices. Last year, our intake of female apprentices was 12% which we are very proud of as we continue to work hard to promote our apprenticeship scheme to females in what is traditionally associated with a male dominated industry and career.

Our recruitment drive for this year is now well underway and we are confident l that we can exceed our female intake compared with previous years. Our recruitment targets have been increased this year in line with our executive board directive to recruit 500 apprentices over the next 5 years and our ambition to diversify our programme and recruit more female apprentices remains a priority for us.

Our recruitment campaigns are deliberately designed to focus on encouraging under-represented groups into our industry and we are dedicated to recruiting the right people, supporting them through their training, and encouraging them to be the best they can be.

To assist us with this commitment, we work closely with a range of external organisations such as the Princes Trust, the Armed Forces, HMP, Barnardo’s and the Construction Youth Trust. These organisations help us to engage with people looking to pursue careers in the construction industry and provide support throughout the journey. Our engagement with key organisations such as this in turn provides us with access to some of the more disadvantaged adults in the communities within which we work. This allows us to provide a brighter future for females by presenting opportunities that they may not have had otherwise and in particular encouraging women with little or no prospects into the workplace.

We continue to be members of the Cross Industry Construction Apprenticeship Task Force and Gold Award members of the 5% Club allowing us to both share best practice and further understand ways in which we can further improve the diversity of our apprenticeship programme. Our achievements include being awarded a commendation by CITB as Apprentice Employer of the Year as well as being awarded Apprentice Employer of the Year by Riverside College in recognition of our commitment to making a positive difference to lives and communities. Our success was achieved in competition with over 100 different industry sector employers from across the UK. This is an achievement that we are very proud of and demonstrates our commitment and passion for working with under-represented groups.

We recognise that once we have attracted female apprentices into our business, sustainability and retention can be a challenge. In order to address this, we have dedicated workplace mentors to support all apprentices across the business with particular focus on ensuring that female apprentices have access to the relevant pastoral and progression support. We deliver team building away days to all our new apprentices with regular off the job training. To further enhance this process, our Head of Learning and Organisational Development has undertaken a SVQL7 Mentoring programme specifically developed for the construction sector to support females into non-traditional roles and training has been delivered nationally to all apprentice mentors.

We encourage all our apprentices to challenge themselves and to enter sector specific competitions which provide an ideal opportunity for them to showcase their skills and to promote our industry to underrepresented groups that may otherwise not consider a career in construction. Our female apprentices have recently been represented in two big national competitions. The first managed by the Painting & Decorating Federation and the second World Skills where we saw our first Gold National WorldSkills final winner, Nicole Smith a 4th Year Apprentice based from our Airdrie branch take the prize.

APPRENTICE TRAINING CENTRE

In 2020, we proudly launched our first dedicated Apprentice Training Centre at our Head Office in Airdrie and commenced our employer led Modern Apprenticeship Programme. Our Centre Team have undertaken specific Equality and Diversity training and are working closely with the Equality Executive Team at Skills Development Scotland who will provide further access and networking opportunities with Equality Support Organisations that will allow us to continue to embed diversity into our apprenticeship delivery model.

As part our contractual agreement with Skills Development Scotland, we are required to complete an annual Quality Action Plan which includes specific actions around attracting under represented groups into our Apprenticeship programme including female candidates. This year in Scotland, females represent 18.75% of our new intake into Bell Apprenticeships. Our recruitment campaign is ongoing in England and Wales.

# BELL GROUP ACADEMIES

The development and continued growth of our Bell Group Academies provide a perfect host environment to incubate future female talent. Our current strategies ensure that potential is identified and developed at all levels and across all business areas regardless of gender. We have 14 Bell Group Academies throughout the UK having developed a successful Academy model. Our ambition is to grow this network of Academies over the coming year, engaging with additional colleges and supporting additional trades over.

Regular and positive contact by our Branch teams ensures that any females attached to our Academies are encouraged to take up work experience placements to support with practical skills and personal development prior to the annual apprentice recruitment process commencing. This enhances their opportunity of success and we have demonstrable evidence of where females have been supported through our ‘hands on’ process through to the offer of a trade apprenticeship and subsequent successful completion of their apprenticeship.

SCHOOL LEAVERS

We continue to place a particular emphasis on taking opportunities to present to those in high school who are at the stage of thinking about which career path they may wish to take. We actively educate those pupils about our industry and the opportunities available at all levels of our organisation.

Identifying that we struggle to attract women into our industry, we proactively seek to make contact with female pupils to further discuss any opportunities that are available in an attempt to make our industry more appealing to them.

We remain surprised to note that a lack of understanding about our industry is one of the main factors that discourages women from considering our industry as a career. We aim to break down those barriers and encourage women to view our industry positively with numerous opportunities for career progression.

We currently have around 20 members of staff that are Construction Ambassadors in addition to our Community Engagement team who actively promote career opportunities in schools. We work closely with a wide range of educational establishments to support positive outcomes against the Gatsby Benchmarks and enable young people to make informed decisions on their future education and career paths. All our educational engagement strategies aim to attract more females into our workforce at all levels. This commitment also links in with our desire to change the stereotypical perceptions of the construction industry generally and we are working hard in an attempt to continue to address those stereotypes.

We are confident that our commitment to achieve a more balanced workforce will continue to lead to an increase in female employees in the years to come.

# EX-MILITARY ENGAGEMENT

We have received the Gold Award for the Armed Forces Covenant where we support ex-military personnel into our industry. All of our general vacancies are advertised on the Careers Transition Partnership (CTP) website and our business is represented at CTP careers events. This provides us with further opportunity to engage and encourage females leaving the armed services to consider a career in our organisation from trade positions right through to management roles and we have successfully recruited females through this structured process.

# INVESTORS IN YOUNG PEOPLE

We have achieved the Investors in Young People accreditation which we are delighted with. This award recognises our commitment to assisting young people to gain employability skills and assist them with the transition into the world of work.

We were particularly recognised for the impact that our young people make on our strategy as we perceive them to be very much our future. We are committed to enabling a culture of continuous development which is reflected in our retention figures as well as progression opportunities.

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



 **Craig Bell**

**Chief Executive**

**4 April 2022**