

# Morris & Spottiswood Limited Gender Pay Gap Statement



At Morris & Spottiswood, we recognise that working in the construction industry brings challenges in relation to gender pay equality and continue to take proactive action and monitor our progress.

One of our core values is to 'Value People'. We are passionate about investing in people and genuinely take care about what we do and how we do it. Put simply, a diverse and inclusive workforce opens our business up to a much wider talent pool and greater innovation and creativity through teams with different experiences, backgrounds and education.

We've taken some crucial steps in tackling the imbalance in our business and wider industry. I'm pleased to share that we now have 3 women on our main board of directors, offering a different and valuable perspective to our strategic challenges.

A diverse workforce is an asset to any industry. Having a more gender-balanced work environment is a huge benefit to roles that include problem-solving and having a more diverse workforce will result in broader ideas and approaches to problems. Women and men can think differently – we've seen this in practise in our monthly board meetings. As well as added perspectives, a diverse workforce can also increase creativity and productivity.

It is also important that we continually review the barriers to women joining our business. To this end, we've put a spotlight on diversity in our business and established a working group to develop and implement an action plan to deliver 10% increase across our diversity targets. We have reviewed our family friendly policies and culture and re-shaped our working patterns, offering all office based roles the opportunity to continue to work from home. Our flexible working practices are gender neutral, removing the perception that responsibilities in the home is only a women's job and levelling out the opportunity for male and female employees to work flexibly to balance work and family life. This not only demonstrates our commitment to giving employees the time to spend valuable time with family when they need it most, but also support reduced employee stress and allow our employees to have a more effective work/life balance.

By setting our family friendly pay structure and policies apart from our regional competitors, we can showcase the tangible benefits we are offering employees and the importance we place on their family and work/life balance. The improved offering supports employee retention and upholds our family values.

And finally, we have increased the number of early careers positions to attract talent for the future and continue our commitment to recruit the best talent for our business and create an environment where our people can thrive.



**George Morris**  
Chairman

## Interpreting the results

### Gender pay gap reporting

The gender pay gap is the difference between the average pay of all men and women across the business. It captures both the mean and median gender pay gap based on the hourly rate of pay. The gender pay gap is driven by various factors, including an imbalance of men in senior, higher-paid roles. It is not a measure of equal pay.

### Mean and median

The data is calculated by showing the mean and median.

The **mean** is the average, or the total of all hourly rates divided by the number of employees and measures the average pay for a woman against the average pay for a man.

The **median** compares the middle pay for a woman and the middle pay for a man when all hourly rates are listed in order.

The results must illustrate the accurate results of the following pay items, based on a snapshot of 5 April 2019:

- Gender pay gap: Mean and Median results
- Gender bonus pay gap: Mean and Median results
- Proportion of males and females receiving a bonus payment
- Proportion of males and females in each quartile band (Upper, Upper middle, Lower middle, Lower)

## Our Gender Pay Gap 2020 results

	2020 MEAN (Average)	Previous Year MEAN (Average)	2020 MEDIAN (middle)	Previous Year MEDIAN (middle)		
Gender Pay Gap	30.15%	33.96%	42%	43.91%	Percentage of men receiving a bonus	0%
Gender Bonus Gap	0%	0%	0%	0%	Percentage of women receiving a bonus	0%
					Mean difference	0%
					Median difference	0%

To give some context to the gender pay and bonus results, our business has two very distinct groups of employees: “blue collar” and “white collar” employees.

- **35% of our employees are employed in ‘blue-collar’ construction trade/engineer positions** (e.g including Joiners, Plumbers, Electricians, Supervisors etc.). This employment group is currently 99% made up of men.
- **65% of our employees are employed in ‘white-collar’ construction roles** (Site Managers, Project Managers, Quantity Surveyors and Senior management operational and commercial posts), and office support roles (including in-house support services: Health & Safety, HR, IT, Finance, Business Development and Bid Support, as well as Customer Service and administration support). 72% of this employment group are men and 28% are women.

Our blue-collar pay structures are mainly based around national industry agreements across the range of trades we employ, whereas our white-collar and support roles have clear pay structures and are industry benchmarked. Many white-collar roles are also affected by a skills shortage across the industry, with significant competition amongst employers for talented people. This in turn drives pay rates up for these roles.

When we compare male/female comparators in specific job roles the gap closes significantly, illustrating that the company-wide gap of 33.96% is not indicative of true pay equality where there are men and women carrying out the same job role. We are confident our employees are paid equally for equivalent jobs. Our pay structures are benchmarked by role rather than person. This gives us the ability to maintain gender pay equality. However, we recognise that there are other areas and attention needed to close the gender pay gap.

## Pay Quartiles

Gender Pay Gap by Quartile	2020 Men %	Previous Year Men %	2020 Women %	Previous Year Women %
Top quartile (75-100%)	96.20%	95.65%	3.80%	4.35%
Upper middle quartile (50-75%)	86.42%	84.29%	13.58%	15.71%
Lower middle quartile (25-50%)	65.00%	91.43%	35.00%	8.57%
Lower quartile (0-25%)	81.48%	55.71%	18.52%	44.29%

Like other companies across our industry, we have a lower proportion of females in senior roles than we would like. Most of our female employees are employed in support service, customer service and administration roles. Our operational and commercial roles involve a degree of business travel and working away from home. We recognise that this is not always conducive to family life and can be a deterrent to attracting females to our business. However, this continues to be an area of focus for us so that we may find ways to increase the number of females remaining and progressing in employment with us into the upper pay quartiles.

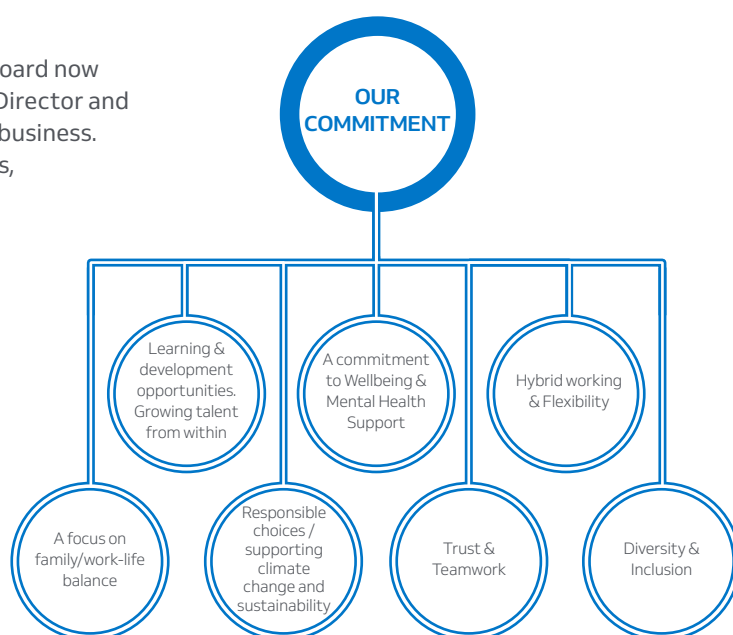
### Key Headlines:

- There are more women now in lower middle pay quartile compared to our 2018 results which is a positive move. This is due to more female employees holding roles above administration level positions
- There has been a slight increase in men in the Upper and Upper middle quartile as a % of the workforce. This has been in response to ski
- By contrast, there has been a slight decrease in women in Upper and Upper middle quarter as a % of workforce from 2018 to 2019
- 51 women employed by Morris & Spottiswood: 33% with a salary of £30k more
- In roles occupied by women with a male comparator, there is no pay inequality
- 13 trainees across the business: 46% of roles occupied by women

We work in an industry that historically attracts a higher proportion of males and we need to address this more pro-actively. Our ongoing focus is to create the right culture to encourage females to apply for senior management roles through a continued emphasis on equal pay through our annual remuneration review and benchmarking process to ensure parity across roles and continuing to develop our succession planning talent framework to create transparent career paths and opportunities to promote from within.

### Action taken to tackle our gender pay gap

- We have diversified our executive and main board: Our board now comprises of female Non Executive Director, Proposals Director and HR Director to help shape the strategic direction of our business.
- We have revised our family friendly pay and leave policies, increasing entitlement to paid leave across maternity, paternity and adoption leave and adopting a hybrid working solution to support work/life balance and offer flexible working to all office based roles.
- Creating new pathways into construction: We have doubled our intake in trainee posts in Construction Management and Quantity Surveying; with 46% of roles occupied by women
- We have established a Diversity and Inclusion working group consisting of a diverse group of employees to lead our strategic approach to increase diversity in our business
- Our commitment remains focused on developing the diversity and creating positive environments to allow our people to thrive



**Mairi Urquhart**  
Proposals Director



**Susan Hughes**  
HR Director



**Women in  
construction**



**Accuracy statement**

I confirm the gender pay gap data contained in this report is accurate and has been produced in accordance with the regulations.

Signed by



George Morris, Chairman  
5 October 2021