

Melin Gender Pay Gap Report April 2019

Under legislation that came into force in April 2017, UK employers with more than 250 employees are required, to publish their gender pay gap figures annually. At this year's "snapshot date" Melin employed fewer than 250 staff and we are therefore not required to publish our gender pay gap and report. We are voluntarily choosing to do so as we feel pay transparency is an important driver of equality. Our commitment to pay transparency can also be demonstrated by the publication of the CEO Pay Transparency report on our website.

The Gender Pay Gap, not to be confused with the issue of equal pay, shows the difference in the average hourly rate of pay between women and men in an organisation, expressed as a percentage of average male earnings. Organisations follow a calculation set out by the Government Equalities Office to report their mean and median gender pay gap, bonus gap, and distribution across pay quartiles.

A Median Gender Pay Gap of zero is really something to celebrate.

Since 2017 our Gender Pay Gap has improved year on year as a result of many small decisions we have made along the way.

We have not set out to deliberately improve our Gender Pay Gap but good business decisions made in line with our values have improved many aspects of life at Melin.

The gender pay gap is the percentage difference between average hourly earnings for men and women.

The decisions we make at Melin are tested against our Values of:

- Do the right thing
- Find Away
- Make things happen
- Enjoy the journey
- Together we can

Chief Executive Paula Kennedy said: "We are keen to rise to the challenge of finding ways to attract more women into our maintenance team. We will continue to 'do the right thing' and our Gender Pay Gap will be one of the measures we use to check that we are achieving our aim."

Some areas we are focussing on

Whilst not entirely related to gender pay, we want to attract more women to work in our maintenance team. Many organisations in the construction sector and colleges providing construction courses are also focussing their efforts on attracting more women into the sector. We recognise that we can't do this on our own. We will continue to work with our partners to increase the number of women undertaking construction courses as well as continuing to make Melin an attractive place to work for all. We understand that recruiting more female apprentices is likely to have a negative impact on our Gender Pay Gap in the short term. Our approach to doing the right thing won't be derailed by short term obstacles.

We continue to develop career paths for all. This year we have introduced new salary scales to facilitate an individual's progress from apprentice to qualified trade. Where we hope to recruit more female apprentices this will allow us to retain them as their careers progress.

Gender Pay Gap Reporting Explained

The gender pay gap shows the difference in the average hourly rate of pay between men and women in an organisation, expressed as a percentage of the average male earnings.

The median is the figure that falls in the middle of a range when the wages of all relevant employees are lined up from the smallest to the largest. The median gap is calculated based on the difference between the employee in the middle of the range of male wages and the middle employee in the range of female wages.

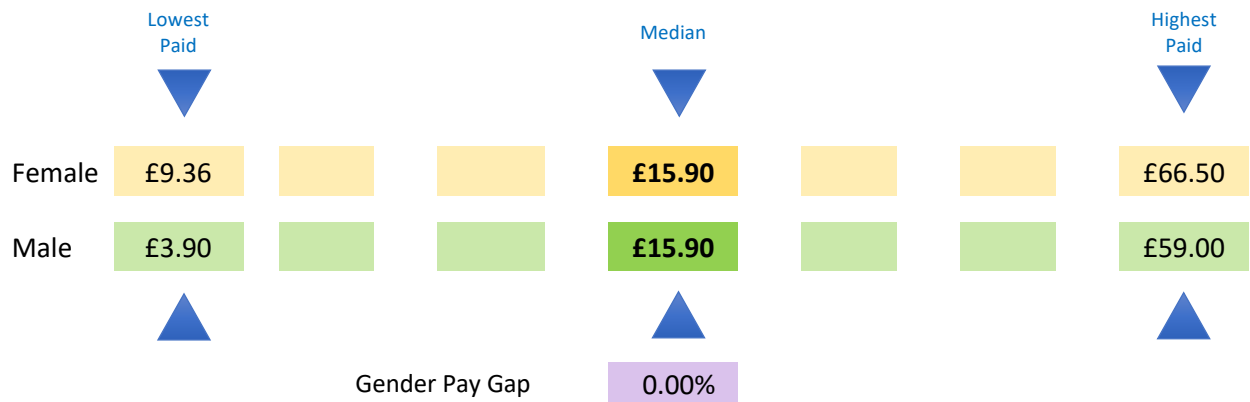
The mean is calculated by adding up the wages of all relevant employees and dividing the figure by the number of employees.

The mean gender pay gap is calculated based on the difference between mean male pay and mean female pay.

At a Glance

The charts below show our overall Median and Mean Gender Pay Gap based on hourly rates at the snapshot date of 5th April 2019.

Median Calculation

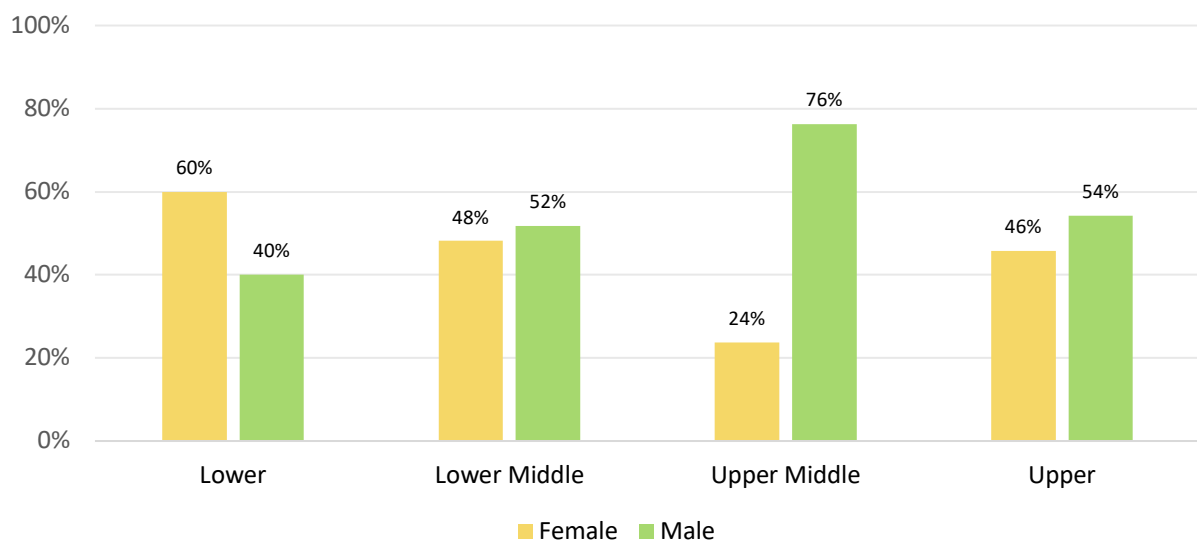


Mean Calculation

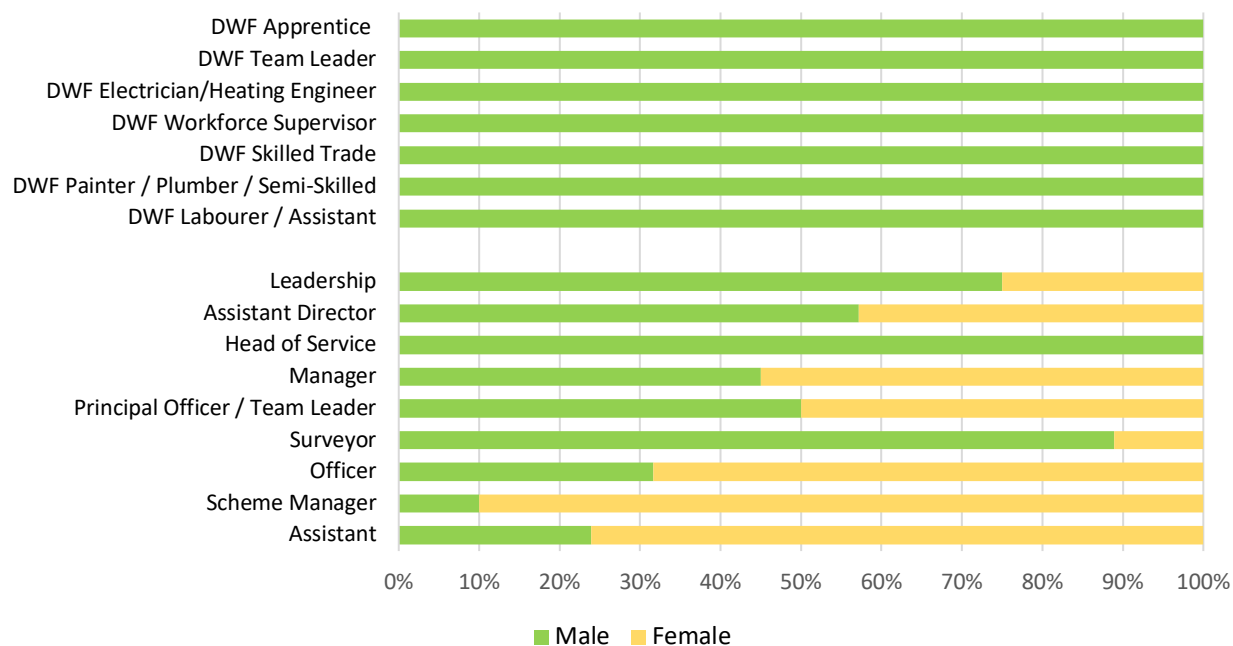


The charts below show the gender split by quartile and job grade:

Gender Breakdown in each Quartile



Gender Breakdown by Grade



A Look Behind the Figures

We are proud that our median gender pay gap is zero. The median is often considered a more reliable indicator as it nullifies the effect of extreme figures at either end of the scale. As an example, our female Chief Executive brings up the mean female pay but this effect is minimised when using the median figure.

This year we are another year forward in moving everyone to the spot salary for their role. We introduced the spot salary process a couple of years ago. In April 2019 we moved everyone who had been below the spot salary up to the spot salary for their role. We were very pleased to be able to do this a year ahead of schedule. We still have people above the spot salary for their role and this will work itself through over the next few years as salary increases linked to CPI results in the spot salary for the role catching up with people whose salaries are above spot.

This move to spot resulted in 23 women receiving an above inflation increase, compared to 20 men.

This year we transferred out our cleaning service. We took this decision for sound business reasons however it resulted in 13 of our lowest paid employees leaving Melin's employment, 12 of these were female. It would be disingenuous not to report this as a reason for the further improvement in our gender pay gap.

Our gender Gap-next steps

The Gender Pay Gap figures changes on a weekly basis depending on the gender of our starters and leavers. Employees at either end of our pay scale have a greater impact but the figures change slightly with every starter, leaver and promotion. We are pleased to report that our gender pay gap has remained fairly consistent throughout the year showing that our April 2019 figure was not a one off. Since April 2019 we have removed the probationary rate for new starters. This has had the effect of increasing our mean and median rates of pay. The impact of this will be seen the next time we report our Gender Pay Gap.

We recognise the fact that women are underrepresented in the upper middle quartile. One of the ways we will address this is to encourage more women into our maintenance team where attractive salaries are paid particularly in our Gas and Electrical teams.

The improvement year on year in our gender pay gap figure highlights that our sound employment practices are having the required effect.