



GENDER PAY GAP REPORTING

SUPPORTING NARRATIVE

Introduction

City Building is one of Scotland's largest construction companies providing a range of repairs and maintenance, manufacturing, construction and refurbishment activities across the public, private and third sector markets.

Directly employing 2250 individuals and operating the largest construction craft apprenticeship programme in Scotland, we also operate Royal Strathclyde Blindcraft Industries (RSBi), one of the most successful supported manufacturing businesses in Europe. RSBi employs over 260 people, more than 50% of whom have a disability.

Our unique social ethos of building a sustainable future underpins our drive to deliver excellence across a wide range of high quality construction and manufacturing operations. These include Repairs and Maintenance, Design and Build Construction projects, New House Building, major investment and refurbishment, manufacturing and specialist services including district heating, solar thermal and solar PV installations.

Since April 2017, for the first time, UK companies, with over 250 employees, require to report their gender pay gap. This is an incredibly important step forward because if companies are transparent about pay and identify the root causes of any pay gap, they can find the solutions they need to build businesses that reflect society.

And that is exactly the approach we are taking at City Building. We are striving to be an organisation that attracts and retains the best people irrespective of their gender and ensures that everyone has an equal opportunity to thrive. We are also committed to following fair working practices by offering excellent terms and conditions and paying a fair wage. Our average earnings in our lower middle and upper middle quartiles is well above that of the construction sector in Scotland.

Gender Pay 2017/18

Our People

City Building operates in a traditionally segregated occupation of construction and our workforce profile has a gender split of 90% Male and 10% Female. We have undertaken a number of initiatives to increase the recruitment of women into the industry and have had some success in this as detailed below.

Mean pay gap

The gender pay gap is always expressed as a percentage. It is calculated by working out the difference between the average pay of all male employees and the average

pay of all female employees and dividing that number by the average pay of all male employees.

In City Building our mean gender pay gap is **3.6%** which is encouraging against a Scotland-wide gender pay gap of **about 16%**.

It is important to note that within each job role both male and female employees are paid the same.

Median pay gap

The median pay gap figure involves listing all male and female pay in order and the median is the middle number.

In City Building, our median gender pay gap is **2.6%**

Bonus Payments

City Building does not operate a bonus or long-term incentive scheme for its senior management team.

Pay Quartiles by Gender

Gender	Lower Quartile	Lower Middle Quartile	Upper Middle Quartile	Upper Quartile
Male	82.9	92.8	89.7	92.8
Female	17.1	7.2	10.3	7.2

Our Statement

We are extremely encouraged by the figures above that show that there is only a small gender pay gap within City Building. The quartile figures demonstrate what we would expect in a traditionally segregated organisation. However, City Building recognises that there is more to be done and we continue to develop our recruitment and retention strategies to support the progression of women through the organisation.

In the main, our annual recruitment is through our successful and award winning Modern Apprenticeship Programme –“Construction for All” - for both trade and business support positions. We actively encourage females to apply for the non-traditional craft positions through outreach programmes with the schools and including talent taster sessions and work experience placements. City Building currently directly employs 20% of all female trade apprentices in Scotland and our aim is continue to grow the number of female applicants for the craft positions.

Our apprenticeship programme consistently achieves 94% success and we have been fortunate to have a high level of retention. We retain vacancies for our time out apprentices with the majority of our posts being recruited internally. In addition we operate a very positive succession planning programme which incorporates formal training and further education to give employees the opportunity to progress within

the organisation. This, coupled with our family friendly working policies and terms and conditions assists us to retain female tradespersons and develop them into supervisors and operational managers thus discouraging them from leaving the Industry. The majority of our operational managers who are included in the upper and upper middle quartiles have mainly been recruited over previous years internally from existing tradespeople. As the majority of these are male, the split is expected, although we are making progress in this area.

Our Executive Management Team has a 50 / 50 gender split which is highly motivational and provides role models for our female employees.

Whilst the results of our gender pay gap analysis are positive, we will not become complacent and will keep our own performance in this area under review and seek to continuously improve.

I confirm that the information in this statement is accurate.

Dr Graham Paterson Executive Director March 2018