

Gender Pay Report

April 2021



What is the gender pay gap?

From 5 April 2017 onwards, any UK employer with 250 or more employees must publicly report on its gender pay gap. Employers must publish the gap in pay between men and women on both a median basis (pay per hour based on the person 'in the middle' of the distribution of pay) and a mean basis (average hourly salary). Gender pay gap reporting is not about equal pay, although our policy is to pay employees equally for the same or equivalent work, regardless of their gender.

Reducing the pay gap

We are proud to have been awarded Investor in People Silver accreditation for the third time, and our overall engagement score increased to 73% in October 2021, an increase of 4% since 2020. We remain committed to building and developing a more diverse workforce; however due to the impact of the recent pandemic our voluntary attrition rate for the financial year 2021 was 3%. The total attraction rate was 5% to include conduct dismissals and voluntary redundancies. This was an extraordinary year due to the impact of COVID-19 and people being placed on furlough through the Government's Coronavirus Job Retention Scheme. The previous year's voluntary attrition rate was 18% for 2020 and 23% for 2019.

The data shows that impact of the Covid-19 pandemic has skewed the reporting information for this year and the previous year. As the business returns to normal activity, we anticipate that the data for April 2022 will continue to show the improvement we have been making in our gender pay gap in pre-pandemic years.

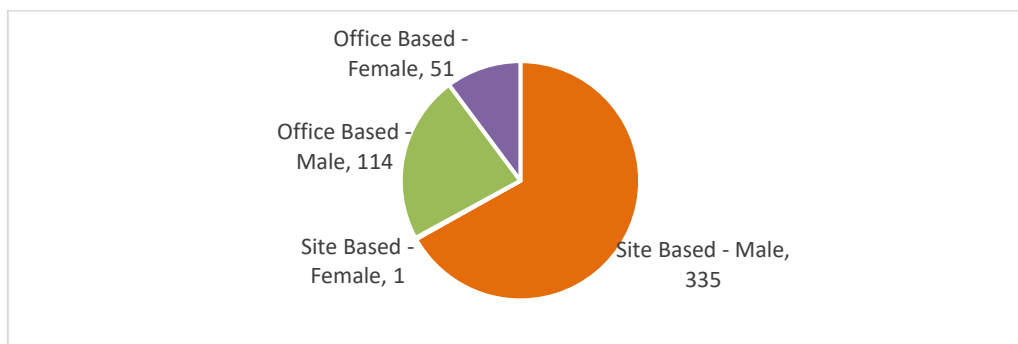
In general, females are underrepresented across our industry, which has traditionally been, and continues to be male dominated, primarily because of fewer women choosing to follow a qualification/career in construction or engineering. To address this imbalance, we continue to promote the industry through engagement activities with local schools and universities, as well as work in partnership with the Federation of Piling Specialists to engage with people of all genders, ethnicities and social backgrounds to consider our industry for a career. In addition, to future address this, we have a three-year Equality, Diversity and Inclusion Action Plan which focuses on Leadership, Culture, and Development, each with bespoke targets, helping to build a strong culture of fairness, inclusion and respect across our organisation.

Our commitment to encourage people to join our industry remains a focus area of ours. We are a partner of the 5% Club, whereby we provide learning and development opportunities and are committed to 5% of our workforce being on an emerging talent programme, meaning people gain qualifications needed to develop careers within the industry. We are also engaging directly with further education establishments to encourage more females to enter the construction or engineering sectors. Both processes are aimed at increasing female representation within our workforce and will ultimately lead to reducing the pay gap.

Our Workforce

At 5 April 2021 we employed a workforce of 511 (54 females, 457 males). This is an overall increase of 6 (-1 female, +7 males) compared to 5 April 2020.

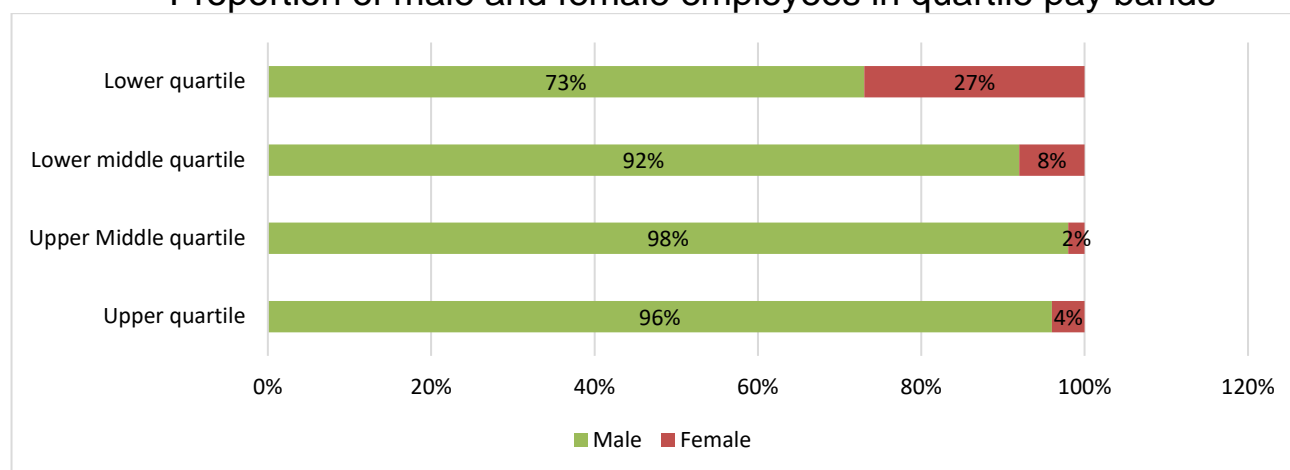
The full pay relevant staff on which the gender pay gap data is based, is a total of 501 employees (52 females, 449 males). Of these, 165 employees (51 females, 114 males) were office based, a decrease of 1 female. 336 employees (1 female, 335 males) were site based, a decrease of 15 males.



Our Pay Gap Data

Van Elle continues to have a pay gap both for hourly pay and for bonus pay. The primary cause of this pay gap is that 27% (2020: 58%) of female employees are within the lower pay quartile. This is reflective of the construction and engineering sectors where women continue to be underrepresented, particularly site-based staff, engineers and at senior levels.

Proportion of male and female employees in quartile pay bands



The results have been impacted by, and are reflective of, the relevant pay period used for calculating the mean and median hourly pay gap. The relevant pay period is the pay period within which the snapshot date (5th April) falls. For site-based staff, who are paid weekly, this was week ending 9 April 2021. For office-based staff, who are paid monthly, this was April 2021.

The pay used to calculate an hourly rate per employee for the pay gap calculations includes any bonuses received in the relevant pay period. Therefore, the hourly pay of site-based staff, where 99% of employees are male, includes bonus but the hourly pay of office-based staff does not. This has therefore resulted in an increased hourly pay gap.

There are also additional impacts as a result of Covid-19, the number of full pay relevant employees increased from 337 in April 2020 to 501 in April 2021, as the business returns to pre-COVID activity, fewer staff were furloughed during the relevant pay period.

	2021	2020	2019	2018	2017
Mean hourly pay gap	37.7%	29.0%	37.6%	39.7%	38.4%
Median hourly pay gap	45.6%	35.7%	42.9%	40.2%	38.3%

The mean hourly pay gap has increased from 29% at 5 April 2020 to 37.7% at 5 April 2021 because the average hourly pay to women increase by 2% compared to an 17% for men.

The median hourly pay gap has increased to 45.6% at 5 April 2021 from 35.7% at 5 April 2020 due to a 18% increase in the male hourly pay median, with the female median remaining the same, whereas there had previously been an increase in 7% year on year. As explained above this reflects the

temporary measures taken during the Covid-19 pandemic.

The mean and median bonus pay gap is calculated based on bonuses paid in the 12 months ending 5 April 2021.

	2021	2020	2019	2018
Mean bonus pay gap	89.7%	53.7%	64.0%	59.0%
Median bonus pay gap	86.2%	5.9%	67.0%	52.9%

The mean bonus pay gap has increased from 53.7% to 89.7%. There was an decrease of 94% in the average bonus pay to men against and decrease of 99% for women.

The median bonus pay gap has increased from 5.9% to 86.2% at 5 April 2021 due to a 99% decrease in the bonus pay median for women, with the male median decreasing being 93% year on year. This can be explained due to 364 employees (50 female, 314 males) who did not receive a bonus in the relevant bonus period.

The annual performance bonus for office-based staff within the financial year 2020/21 was deferred and not paid until August 2021. This means that this bonus was not included in this analysis in this year's report. While site-based staff received an operational bonus, were 99% male. These factors have contributed to the above increase in the bonus pay gap.

Declaration

I confirm that the gender pay gap data contained in this report for Van Elle Limited is accurate and has been produced in accordance with the guidance on managing gender pay developed by the Arbitration and Conciliation Service (ACAS). Hayley Smith, Head of HR.