



Dounreay Site Restoration Limited (DSRL)

Gender pay gap report 2018



Introduction from Martin Moore Managing Director

Diversity and Inclusion is central to the success of our business. Our aim is to create a culture where everyone is able to be themselves at work, irrespective of their gender or any other attribute, so that they can perform at their best. That is why improving the gender balance across the business is so important to us.

Dounreay Site Restoration Limited (DSRL) is committed to ensuring that people are

Our mission: “To responsibly deliver the interim end state within the target cost and time and support the transition of our people”.



treated equally at work and have the same opportunity for recognition, reward and career development based on their ability, qualifications, experience and suitability for work.

Our first gender pay gap report published last year helped us to identify the size of our gender pay gap, the reasons for the gap and, more importantly, what we needed to do to reduce the gap. A lot of work has been done to start addressing the root causes through the action plans we set in place last year and, although this is a long-term strategy, I am pleased to note the progress that has already been made.

DSRL has a median gender pay gap of 7.76%, compared to 10.29% in 2017. While we continue to compare favourably

with the rest of the nuclear sector and UK national gender pay gap, there is clearly more that needs to be done. It is also recognised that there are many factors which can impact on the gender pay gap and there will not necessarily be linear year on year improvements.

Our gender pay gap continues to reflect the under-representation of women within the Dounreay workforce and the wider nuclear and engineering sectors. DSRL is committed to supporting the aims of the Nuclear Sector Deal to increase the proportion of women in the workforce to 40% by 2030 and achieve a 50:50 gender split in STEM apprentices by 2021. This is a challenging target and this report explains the next steps in our strategy to address these issues.

I am authorised by the DSRL Board to confirm that the information published in this report is accurate and has been prepared in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

DSRL has a
7.76%
median
gender pay gap

UK national
gender pay gap =
17.90%

What information is provided in this report?

The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 require all companies with 250 or more employees to publish details of their gender pay and bonus gap annually.

This is the second gender pay gap report prepared by DSRL.

The report complies with the requirements of the Regulations and has been produced in accordance with ACAS guidance on 'Manging gender pay reporting' 2017.

We are required to report against 6 prescribed data measures to show the difference between the average earnings of men and women in the organisation, including the:

- mean and median gender pay gaps
- mean and median gender bonus gaps
- proportion of men and women who receive bonuses
- proportions of male and female employees in each pay quartile

The data in this report is based on a 'snapshot' of the pay of all DSRL employees as at 5 April 2018, as well as bonuses paid between 6 April 2017 and 5 April 2018.

This report fulfils DSRL's reporting obligations, analyses the data in more detail and explains our future action plan to address the gender pay gap.

This report will be published on DSRL's website and the data will be published on the Government's website.

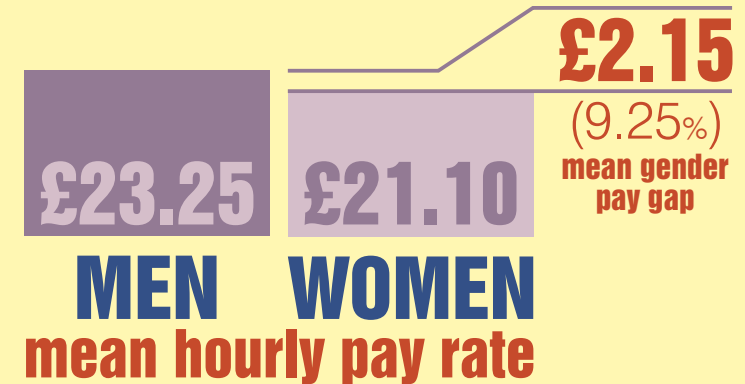
Gender pay gap analysis

1. Mean gender pay gap

This is the difference between the mean (average) hourly rate of pay for all men in the organisation and the mean hourly rate of pay for all women, expressed as a percentage of the mean hourly rate for men.

For DSRL:

- The mean hourly pay rate for men is £23.25
- The mean hourly pay rate for women is £21.10
- **The mean gender pay gap is £2.15 per hour or 9.25%**

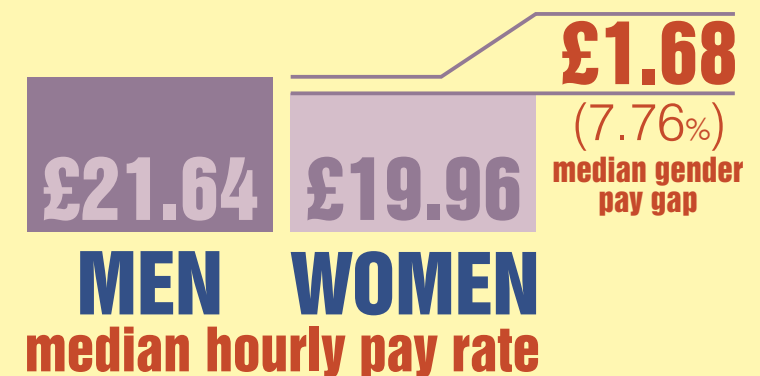


2. Median gender pay gap

This is the difference between the median (middle) value of hourly pay rates (when ordered from lowest to highest) for all men in the organisation and the median value of hourly pay rates for all women, expressed as a percentage of the median hourly rate for men.

For DSRL:

- The median hourly pay rate for men is £21.64
- The median hourly pay rate for women is £19.96
- **The median gender pay gap is £1.68 per hour or 7.76%**

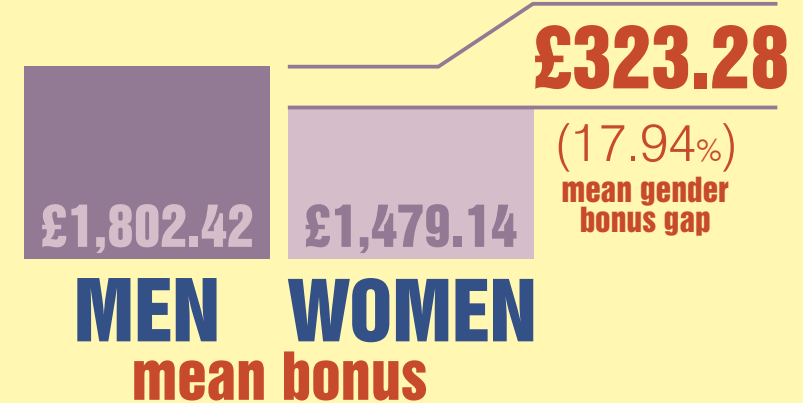


3. Mean gender bonus gap

This is the difference between the mean (average) value of bonuses for all men in the organisation and the mean value of bonuses for all women, expressed as a percentage of the mean bonus for men. This data set is for all employees who received a bonus and does not take into account part time hours.

For DSRL, based on bonus paid in the period 6 April 2017 to 5 April 2018:

- The mean bonus paid to men is £1,802.42
- The mean bonus paid to women is £1,479.14
- **The mean gender bonus gap is £323.28 or 17.94%**

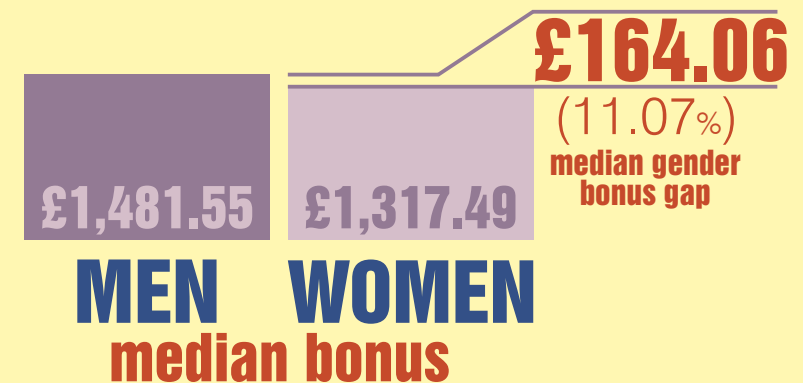


4. Median gender bonus gap

This is the difference between the median bonus paid to all men (when ordered from lowest to highest) in the organisation and the median bonus paid to all women, expressed as a percentage of the median bonus paid to men. This data set is for all employees who received a bonus and does not take into account part time hours.

For DSRL, based on bonus paid in the period 6 April 2017 to 5 April 2018:

- The median bonus paid to men is £1,481.55
- The median bonus paid to women is £1,317.49
- **The median gender bonus gap is £164.06 or 11.07%**

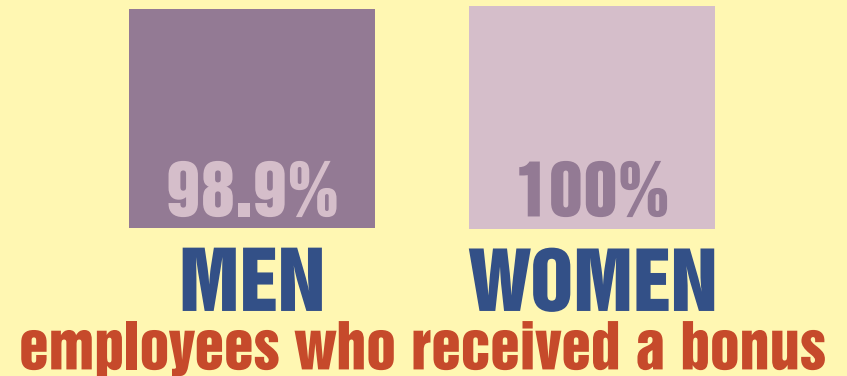


5. The proportions of male and female employees who received a bonus

This shows the extent to which women are paid bonuses in comparison to men.

For DSRL, based on bonus paid in the period 6 April 2017 to 5 April 2018:

- 98.9% of men received a bonus
- 100% of women received a bonus

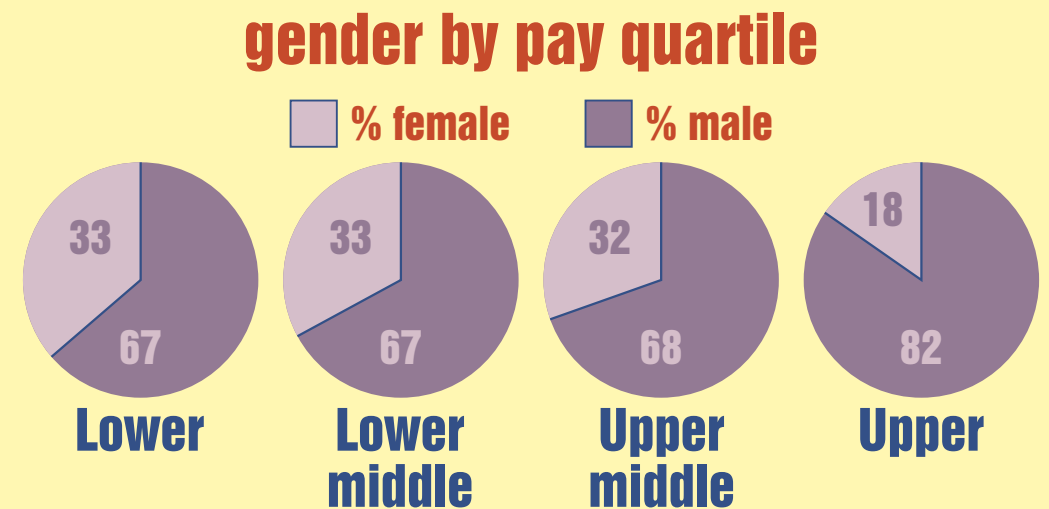


6. The proportion of male and female employees in each pay quartile

This shows the proportion of men and women in each quartile pay band.

How is this worked out?

- take all the hourly pay rates, ordered from lowest to highest, for all men and women in an organisation and divide them into four equal groups designated as: lower; lower middle; upper middle and upper quartiles
- next, calculate the number of men and women within each quartile as a percentage of all employees within that quartile. This shows the proportions of men and women in each quartile of the overall pay distribution.



Why we have a gender pay gap?

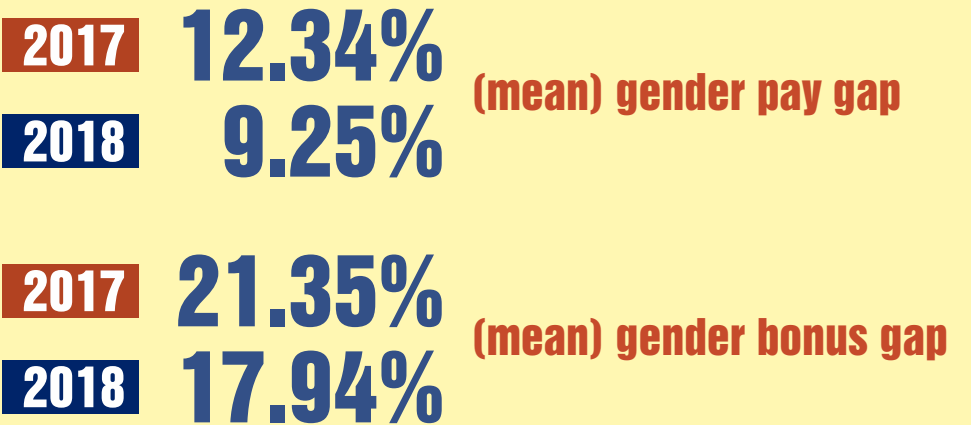
Our average gender pay gap has reduced from 12.34% in 2017 to 9.25% in 2018. Similarly, our gender bonus gap has also reduced, from 21.35% in 2017 to 17.94% in 2018.

The structural reasons for the gender pay gap which were identified in the 2017 report have not changed. Women continue to be under-represented in higher earning jobs within the organisation: both in terms of the proportion of women in more senior job roles, which have higher basic pay and bonus earning potential, and the proportion of women in shift jobs which attract significant shift pay enhancements.

There are various factors which can influence the gender pay gap which may vary from year to year. The reduction in our gender pay gap has been due to a combination of factors which have been different for men and women.

The first phase of leavers under a 2017 voluntary redundancy campaign were predominantly men in the higher paid Technician and Professional Bands, and included one senior manager. This was combined with the fact that the majority of new employees during the period were men recruited into lower paid Support Band roles.

By contrast, there has been progression of women from Support through the Technician and Professional Bands. When we compare the pay quartile data for 2018 against 2017, we see an increase in the proportion of women in the upper and upper middle quartiles and a proportionate decrease in the proportion of women in the lower quartile.



Women in the workforce

The gender balance of the workforce remains 71% male and 29% female.

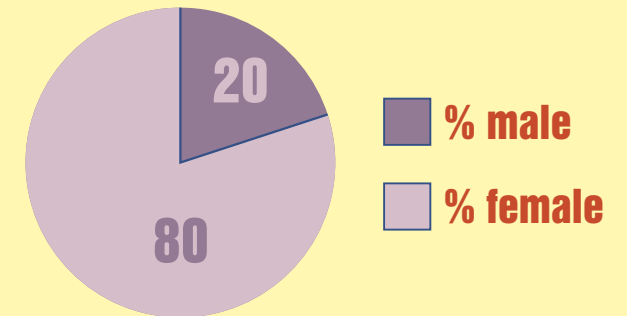
A comparison of the distribution of women across the pay bands in 2018 against 2017 shows no change in the proportion of women in the Senior and Leadership Bands. However, the proportion of women in the Professional Band has increased whilst the proportion in the Technician and Support Band has reduced.

Almost 1 in 10 of the workforce currently work part-time: 80% are women (26% of all female employees) and 20% are men (2.7% of all male employees). The proportion of male part-time workers reduced compared to 2017 as a number of men who worked part-time left as part of the first phase of voluntary redundancies.

The age profile of employees who work part-time continues to be differentiated by gender: women tend to be younger and at earlier stages in their careers whilst men tend to be older in the latter stages of their careers.

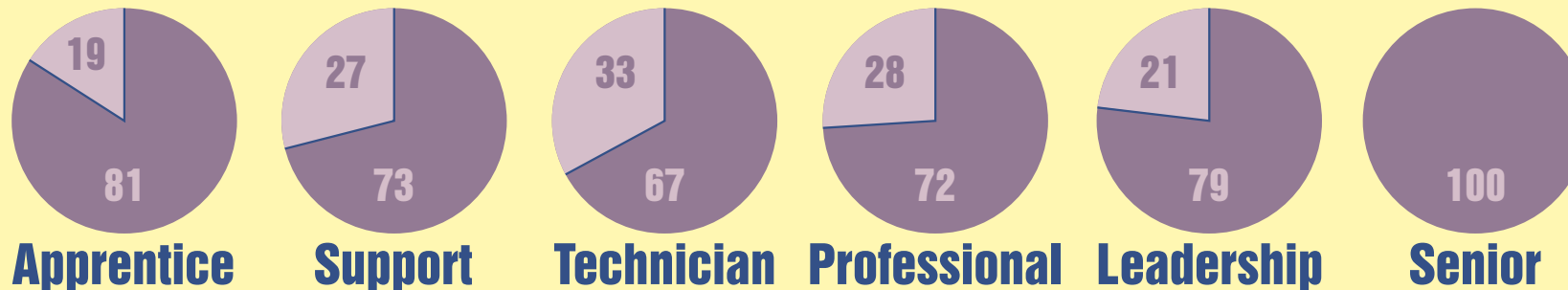
We have been successful in our efforts to increase the representation of women in our new talent programmes with women making up 60% of the 2018 Graduate intake and 55% of the 2018 Apprentice intake (25% of STEM Apprentices and 100% of Business Apprentices).

part-time workers by gender (10% of the workforce are part-time)



gender by pay band

■ % female ■ % male



Addressing our gender pay gap

Our forward action plan to address the gender pay gap will build on the work we have already started as part of our EDI Strategy and through our Women's Network and will focus on three key areas.

1. Embedding our diversity and inclusion culture

- Following the successful roll out of Unconscious Bias training for all our people managers and staff during 2018 we will continue to provide a rolling programme of Unconscious Bias training for all new entrants
- Mandatory People Manager's Toolkit training is being provided for all people managers. The purpose of this is to ensure that people managers are familiar with key company policies and processes and understand how these should be applied fairly and consistently in accordance with the principles of Diversity and Inclusion.

2. Removing barriers to employment and development opportunities

- In order to increase the size and diversity of the potential pool of candidates for positions we have improved the transparency of our recruitment processes by providing additional information for external applicants on our updated website recruitment pages. Similar information is being provided for internal vacancies with particular focus on helping people prepare applications and prepare for interviews
- We have reviewed our flexible working standard and practice to identify how we can support our people to achieving a better work-life balance and enable them to participate fully in, and have access to, opportunities at work. Our revised flexible working standard adopts an output focussed and permissive approach to flexible working recognising the benefits for both the business and our people.

- In line with this progressive approach, we are aligning our maternity/adoption/shared parental leave and pay arrangements to remove the disincentive to take shared parental leave and enable all parents to share and participate in the early up-bringing of their child
- We are continuing to identify what further actions need to be taken to remove potential barriers to achieve greater diversity across different occupational categories.

3. Developing our future talent

- As part of our succession planning arrangements we have introduced a new leadership development programme to prepare our junior and middle managers for future leadership positions across the business
- Following a successful pilot last year, we introduced a mentoring programme, known as MCircles, which is open to all staff

In addition, we continue to work with our external community stakeholders to promote STEM career opportunities for women through our participation in Developing the Young Workforce (DYW) activities in local schools and through the STEM and Business Ambassadors programmes.

