

Remuneration Policy

1. Staff and aims of Policy

It is important that MDC is able to attract and retain highly skilled employees. Identifying skilled people within the construction sector is becoming increasingly difficult with a reduced availability of Surveyors, Project Managers and staff generally within the sector. MDC needs to be able to compete within a competitive environment to attract high quality staff that can deliver the ambitions of the company.

This policy has been included in the Business Plan, which is subject to Shareholder approval.

2. Criteria for Pay Reviews

Context

Staff pay reviews will be conducted annually in February, for all employees, with additional ad-hoc reviews as needed for significant changes in job responsibilities, performance, or market conditions.

Performance

Staff performance will be evaluated based on established annual goals, and objectives. These will be established using the templates included in Appendix A. Such templates may be adjusted to suit specific objectives that are tailored to the role.

Market Trends

Pay will be benchmarked against industry standards and competitor pay practices to ensure competitiveness.

Inflation and Cost of Living

Adjustments may be made to compensate for inflation and changes in the cost of living which will be agreed by the Board.

Internal Equity

Pay differentials between employees in similar roles and levels of experience will be reviewed to maintain internal equity.

Performance-Based Pay reviews

Pay increases will be merit-based, with higher-performing staff members receiving larger adjustments. Performance-based pay increases will be linked to the achievement of an individual and their objectives.

Discretionary Pay Adjustments

In addition to performance-based pay increases, the Chairman may in consultation with the MDC Board agree a discretionary pay adjustment, benefit or bonus for exceptional circumstances or contributions not covered by the standard criteria and measured against established performance metrics.

3. Process for Pay Reviews

Performance Evaluation

February - Managers will conduct performance evaluations for each staff member based on predetermined criteria and performance goals which are referenced against their job description.

Salary Benchmarking

March - Salary benchmarking exercises will be conducted to compare staff salaries with market rates and industry standards. The Financial Director will undertake this.

Pay Adjustment Recommendations

March - Based on performance evaluations and salary benchmarking results, managers will recommend pay adjustments for staff members to the Board.

Approval Process

March - Pay adjustment recommendations will be reviewed and approved by the Board of Directors for implementation 1st April.

Objectives Setting

April - Objectives will be set at the beginning of the financial year.

Communication of Pay Reviews

Staff members will be notified of the outcome of their pay reviews in a timely and transparent manner, no later than 31st March.

Details of pay adjustments, if any, will be communicated to staff members along with explanations for the decisions made. Any pay increase will become effective on 1st April.

4. Review of Pay Review Decisions

Staff members who are dissatisfied with the outcome of their pay reviews may request a review of the decision.

Compliance

All pay review decisions will be made in compliance with applicable laws and regulations, and this policy.

Review and Revision

This policy will be reviewed periodically to ensure its effectiveness and alignment with organisational goals and market conditions. Amendments or revisions to the policy will be communicated to staff members in a timely manner.

Approval and Implementation

The Managing Director will oversee the implementation and administration of this policy.

Appendix A Objective Setting Template Example



2024/25 Annual Objectives Setting

About You		
Your name:	Your department/location:	Start date:
Your role:	Your manager:	Length in current role:

Your Objectives and Review										
Please use this section to agree and record your objectives for the year ahead and review your performance against them (interim/full-year). Objectives should support our goals (Health & Safety, Quality, Cost, Environment, Delivery, People), your department objectives and be SMART (Specific; Achievable; Measurable; Realistic; Time-bound).										
Objectives	Interim Review	BE	AE	SP	EE	Full-Year Review	BE	AE	SP	EE
HSE		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Delivery		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Budget		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
People		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Environment		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Objectives Performance Rating	Interim	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Full-Year	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Your Overall Mid-Year Performance Rating	Below Expectations <input type="checkbox"/>	Achieves Expectations <input type="checkbox"/>	Strong Performance <input type="checkbox"/>	Exceeds Expectations <input type="checkbox"/>
Interim Review				

Your Overall Full-Year Performance Rating	Below Expectations <input type="checkbox"/>	Achieves Expectations <input type="checkbox"/>	Strong Performance <input type="checkbox"/>	Exceeds Expectations <input type="checkbox"/>
Full Year Review				

Your Development Plan and training requirements <small>Include the needs to meet both your objectives, behavioural development along with your career aspirations</small>		
On the job experience (70%)	Learning through others (20%)	Formal training (10%)

Line Manager Comments		Employee comments	
Manager Signature	Date:	Your Signature	Date: