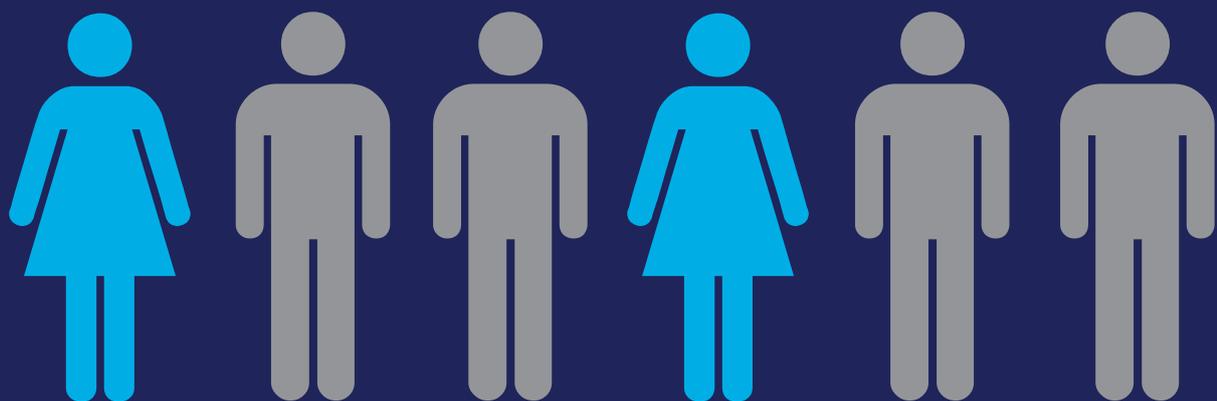
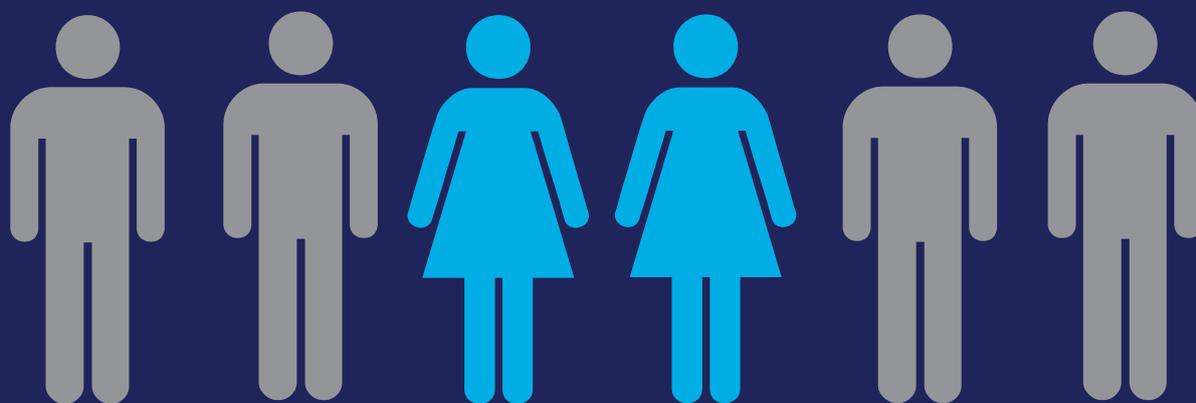


WESSEX WATER SERVICES LIMITED GENDER PAY GAP REPORT 2019





GENDER PAY GAP REPORT



This report outlines
the gender pay gap at
Wessex Water Services Ltd

WESSEX WATER SERVICES GENDER PAY GAP REPORT

It is a requirement for all companies employing more than 250 employees to calculate and report on their gender pay gap. Wessex Water Services is a regional water and sewerage business serving 2.8 million customers across the south west of England including Dorset, Somerset, Bristol, most of Wiltshire and parts of Gloucestershire and Hampshire. It employs **2,360 people, 79% are men and 21% women.**

The gender pay gap shows the difference between average hourly pay for men and women across all ages, roles and levels within the company.

Gender pay is different to equal pay, which is the right for men and women to be paid at the same rate of pay for work that is of an equal or equivalent value. Wessex Water has a robust job assessment process. We operate a framework of grades, and pay ranges within each pay grade. Gender has no bearing on what employees are paid for the role they perform.

The water industry, in common with many businesses with a predominance of STEM skills, such as engineering, continues to be male dominated. Wessex Water recognises that diversity is a strength and is helping to create an inclusive environment to improve the representation of women within the industry and our own business. We are working to attract more women into our business and we value them and the skills, knowledge, experience and ideas they bring.

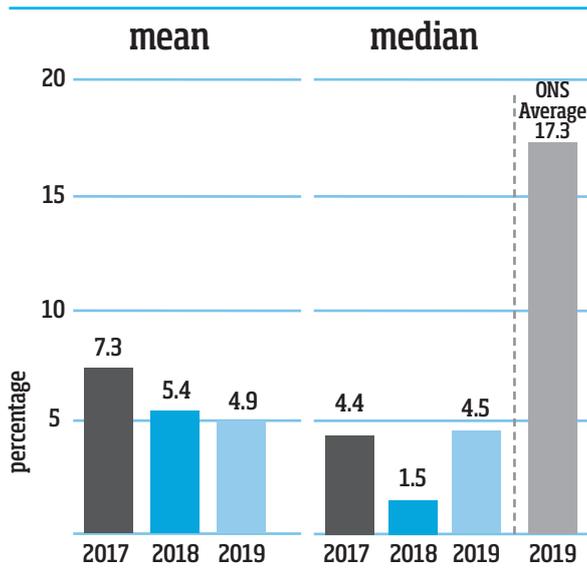
In this report, we explain:

- **our gender pay and gender bonus gaps**
- **why there is a pay and bonus gap**
- **what we are doing about our gender pay gap**

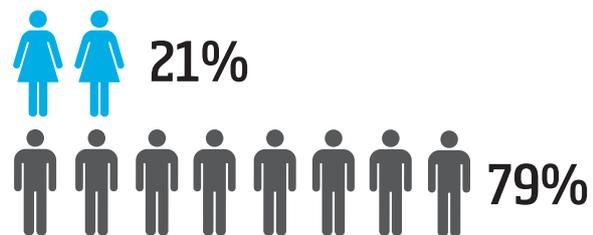
OUR GENDER PAY GAP

The gender pay gap is the difference in the average hourly pay received by men and women at Wessex Water on 5 April 2019.

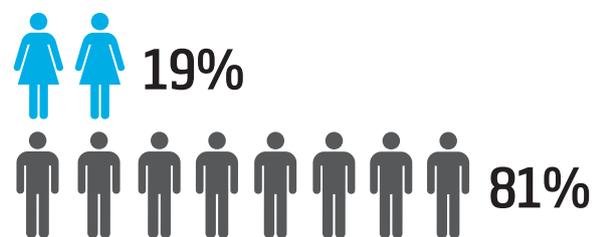
Our mean gender pay gap has reduced from 7.3% in April 2017 to 4.9% in April 2019. Our median pay gap has increased slightly from 4.4% in April 2017 to 4.5% in April 2019.



Proportion of women and men in Wessex Water



Proportion of women and men in leadership grades



What is the mean?

The mean gender pay gap is the difference in average hourly pay for men compared to women at all levels across Wessex Water.

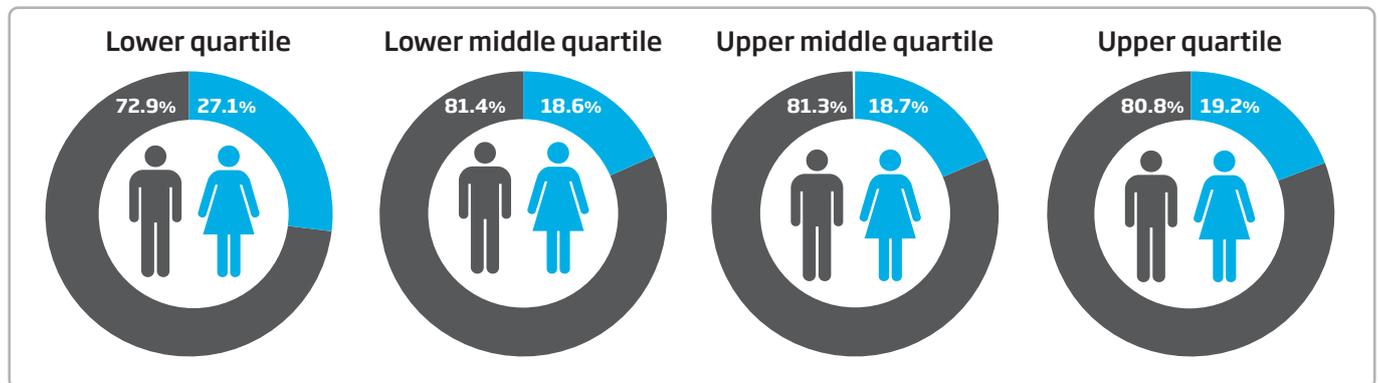
What is the median?

The median represents the middle number point across a list of values. If we list all women and all men, the median is the middle number. The median pay gap is the percentage difference in average hourly pay for the middle man compared to the middle woman working for Wessex Water.



PAY QUANTILES BY GENDER

The distribution of men and women is shown in pay quartiles. These are calculated by splitting the whole workforce into four equal parts based on hourly pay from highest to lowest. The percentage of men and women is then calculated for each quartile.



Our workforce, including those in leadership roles is heavily male dominated with 79% of employees being men across our workforce.

There is a higher percentage of women in the lower salary quartile compared to the other salary quartiles.

OUR GENDER BONUS GAP

The gender bonus gap is the difference in the average bonus payments received by women and men at Wessex Water during 2018/19.

Over the last three years, our mean bonus gap has risen from 14.8% in April 2017 to 20.7% in April

2019. Our median bonus gap has increased from 3.9% in April 2017 to 9.6% in April 2019.

74.5% of men and **59.4% of women** employed by Wessex Water on 5 April 2019 received a bonus during the previous year.

UNDERSTANDING OUR GENDER PAY AND BONUS GAPS

Our gender pay differences are significantly lower than the UK average¹ and reflect gender distribution in job role rather than any equal pay issues. In all four headline measures, the average rate of pay for men is higher than that of women. This is due to the fact that more men are in leadership roles than women and this has an impact on mean and median gender pay gap figures.

Our job assessment process is robust and thorough. We operate a framework of pay grades and within

these there are a number of pay ranges. Gender has no bearing on what employees are paid for the role they perform.

There was a higher proportion of men compared to women who received a bonus during the year. There are more men in leadership roles, earning higher salaries and bonuses on average, than women - this accounts for our mean gender bonus gap. For the same reason, the median bonus paid to men is higher than that paid to women.

¹ Office of National Statistics 2019. Median gender pay gap in hourly pay ONS average 17.3%.

WHAT ARE WE DOING ABOUT OUR PAY GAP?

We value the differences a diverse workforce brings and are committed to creating and promoting an inclusive workplace for employees and others who work with the company as suppliers and contractors.

We have a strong, friendly and engaging culture and colleagues enjoy working for us and with each other. In our employee survey this year 88% of colleagues rated us a good company to work for and 79% rated us a great place to work. Our employee engagement increased to 81%. Our people are important to us and we listen to their feedback and have put action plans in place to address key areas of feedback.

We have clear areas of focus which we believe will contribute to reducing our gender pay gap. This year we have undertaken a significant project on diversity and inclusion across our organisation, canvassing the views of more than 200 colleagues via workshops, focus groups and interviews, assessing our gaps against best practice and formulating action plans to continue improving our diversity and inclusion. This has included training on avoiding unconscious bias.

Addressing our gender pay gap will take time and we are committed to improving diversity and inclusion and achieving a better gender distribution, particularly at a senior level. This will have a positive influence in reducing our gender pay gap over time. Current areas of focus include:

Reflecting the community we serve

We strive to have a workforce that reflects the community we serve, so that we can better understand their needs and in turn provide our customers with the excellent service they deserve. We are encouraging better diversity in all forms, not only gender but also ethnicity, race, disability, sexual orientation and social background.

Community education

Every year, our education team visits hundreds of educational establishments including nurseries, primary and secondary schools, colleges and universities. They visit youth groups, guiding and scouting organisations as well as adult groups such as the Women's Institute, and attend careers evenings to raise awareness of Wessex Water, the work we do and the job opportunities we offer.

In addition to our education team, our apprentices have visited 44 schools and career fairs around the region, encouraging young people to consider

apprenticeships as a career option and the water industry as future career avenues. This together with our apprentice open days, has seen the demand for apprenticeship positions increase this year.



Apprenticeships

It is essential that we continue to develop our talent, particularly in the sectors where we know there are skills shortages and a lack of female talent - engineering, utilities and construction. Apprenticeships remain a key element of our resourcing strategy to build and maintain a sustainable workforce.

Encouraging widening participation in our early careers opportunities has been a key focus this year. To support social mobility, we engage with young people who have been excluded from traditional education through activities with pupil referral units. 10% of our 2019 apprenticeship intake come from or reside in government recognised disadvantaged postcode areas.

We have significantly increased the appointment of people from BAME backgrounds to early careers opportunities and supported the BAME 5 Cities project with Bristol City Council.

We continue to develop and grow our apprentice programmes and strive to increase the number of female apprentices. We work with the local community to promote apprenticeships as a valued and respected career pathway.

Of our technical apprenticeship applications, we have seen a significant increase over three years in our numbers of female applicants. 13% of our annual intake securing apprenticeships are female. This is significantly higher than the national benchmark for the sector. Our work to engage larger numbers of women in the water industry continues.

Graduates

We are a member of the Government's 5% club which recognises that as an employer, we provide opportunities to develop the skills and talents people need to become more employable and create meaningful careers. We have committed to have a minimum of 5% of our workforce enrolled as apprentices, sponsored students or on a graduate development scheme. Over the last three years, the proportion of females on our graduate programmes has increased from 14% to 43%. Almost 10% of our workforce currently undertake learning and development through apprenticeships, further or higher education.

Flexible working

We provide a supportive culture that enables people to continue to work at all levels, as their lives progress and circumstances change, and we ensure that people have the support they require to adapt.

We pride ourselves on having a strong flexible working culture. This creates role models and trust among employees that working part-time or flexibly does not hinder career development or career advancement. Where operationally feasible, we strongly promote flexible working and we seek to attract high quality candidates who wish to work part-time or flexibly, including in senior management roles.

By offering flexible and part-time opportunities we expect to improve our gender distribution across our workforce, which will have a positive influence on our gender pay gap.

We actively promote flexible and remote working, together with flexible retirement aimed at providing the option of a more gradual transition into retirement.

Improving all forms of diversity

Our executive leadership team is focused on ensuring that in addition to gender, all forms of diversity are being strengthened and further developed. We are building a workforce that reflects the diversity of the community we serve and we will continue to focus on improving all areas of diversity and inclusion.



Our senior leaders have attended unconscious bias training workshops. These workshops enable those in leadership roles, to fully appreciate the potential impact diversity and inclusion can have on our business as a whole and specifically on customer service, inclusive leadership, performance management, recruitment and selection.

We continue to promote a series of talks called Phenomenal Women which features women who have made outstanding contributions in their profession.

As an equal opportunities employer, we respect and value everyone's contribution. We are committed to providing an environment that supports and encourages the many skills, interests, backgrounds and experiences that people from different social groups can bring. We strive to provide a workplace which is free from discrimination, harassment and bullying, and where everyone is treated with dignity and respect.

Assurance statement

I confirm that the published information has been appropriately assured and is accurate.

Andy Pymer
Managing Director, Wessex Water Services Limited

wessexwater.co.uk

Wessex Water
YTL GROUP



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FOR LIFE.**