

Wessex Water's
Gender pay gap
report 2023



Wessex Water
YTL GROUP



FOR YOU. FOR LIFE.

Contents

Wessex Water Services - Gender pay gap report 2023	2
Our gender pay gap	3
Gender bonus gap	4
Understanding our gender pay and bonus gaps	4
What are we doing about our pay gap?	5
Reflecting the community that we serve	7
Assurance statement	8



We recognise that diversity is a strength and is helping to create an inclusive environment to improve the representation of women within the industry

Wessex Water Services - gender pay gap report 2023

We are 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. We employ 2,631 people, of whom 77% are men and 23% women.

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

Gender pay is different to equal pay, which is the right for women and men to be paid at the same rate of pay for work that is of an equal or equivalent value. We have a robust job assessment process and 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.

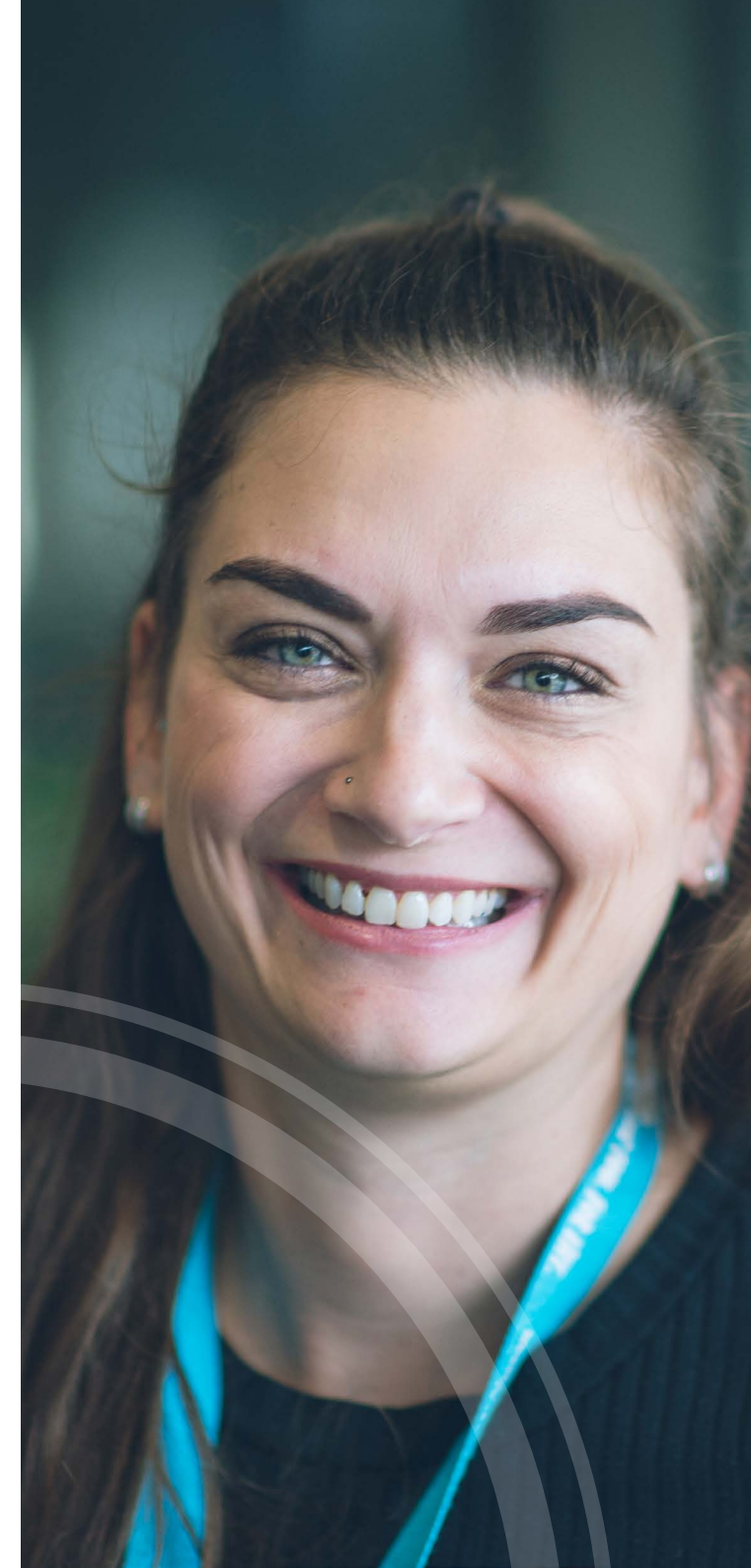
The water industry, in common with many businesses with a predominance of STEM skills, such as engineering, continues to employ more men than women. We recognise that diversity is a strength and is helping to create an inclusive environment to improve the representation of women within the industry and our own business.

We continue to work to attract more women into our business, and we value them and the skills, knowledge, experience, and ideas they, and all our employees, bring.

The gender pay gap is an important measure for us, to help us understand how we are doing in this respect.

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.**

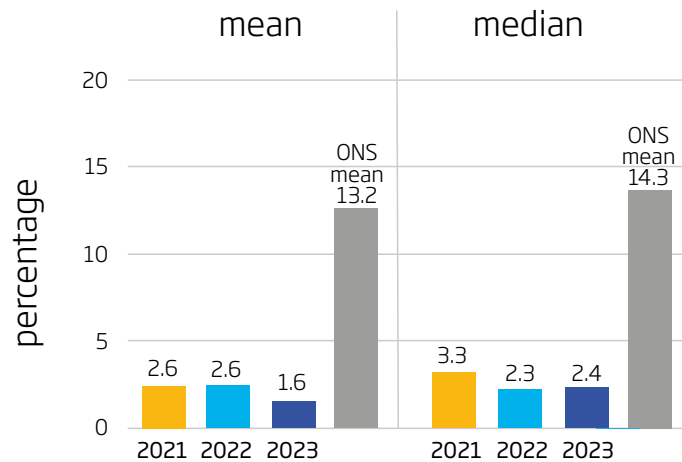


Our gender pay gap

The gender pay gap is the difference in the average hourly pay received by women and men at Wessex Water on 5 April 2023.

Our mean gender pay gap has continued to reduce from 2.6% in April 2021 to 1.6% in April 2023.

Our median pay gap reduced from 3.3% in April 2021 to 2.3% in April 2022 and increased slightly to 2.4% for April 2023.



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.

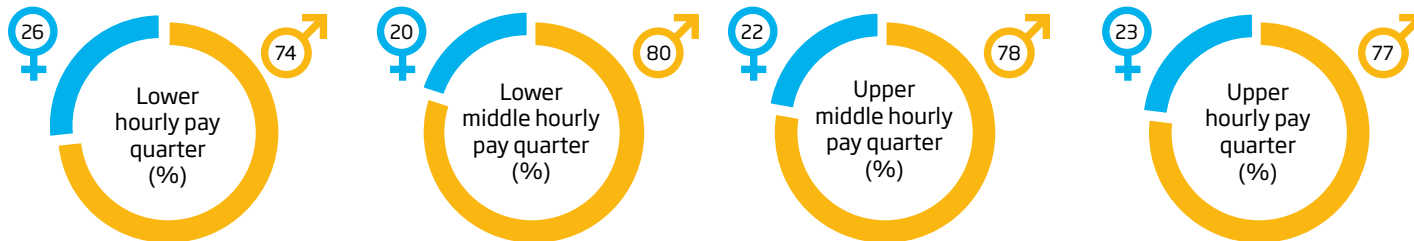
What is the median?

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 quarters by gender

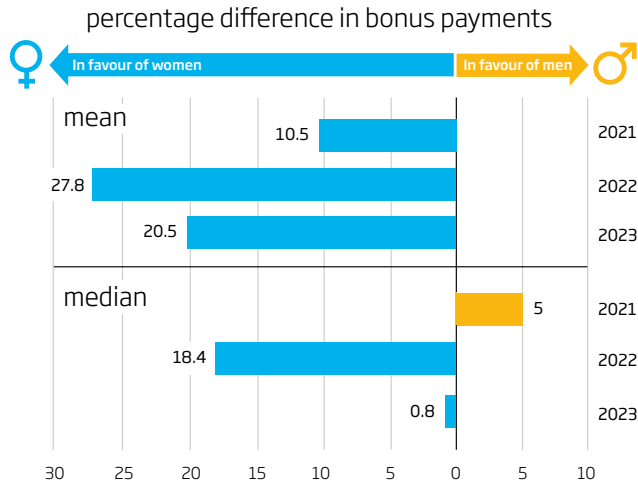
The distribution of women and men is shown in hourly pay quarters - these are calculated by splitting the whole workforce into four equal parts based on hourly pay from highest to lowest. The percentage of women and men is then calculated for each quarter.

Our workforce, including those in leadership roles, is heavily male dominated with 77% of employees being men. There continues to be a higher percentage of women in the lower hourly pay quarter compared to the other hourly pay quarters.



Gender bonus gap

The gender bonus gap is the difference in the average bonus payments received by women and men at Wessex Water during 2022-2023. Although our mean bonus gap has reduced from 27.8% in 2022 to 20.5% in 2023, it is still higher than it was in 2021.



The gender bonus gap is directly affected by the level of bonus paid in a particular year. In 2021 our senior management team declined their bonus payment and there was a significant change in the median bonus gap figure.

70.5% of men and 43.9% of women employed by Wessex Water on 5 April 2023 received a bonus during the previous year. This is a change from the corrected figures for 2022 (70.1% of men and 48.2% of women).

Understanding our gender pay and bonus gaps

Our gender pay differences remain significantly lower than the UK average. In two of the four headline measures, specifically those on bonus payments, the average rate of pay for women is higher than that of men.

The two pay gap measures are higher for men than women because on average more women are in roles in the lower pay quarter, 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.

A higher proportion of men compared to women received a bonus during the year. This is because our bonus schemes are in teams with a higher proportion of men than the company average. However, the mean and median bonus paid to women was higher than that paid to men during the year.

Part of the reason that the bonus gap currently favours women is that fewer women are in roles that attract a bonus, however the bonus opportunity for the roles that they occupy is higher. As previously mentioned, the figures for 2022 were slightly skewed as senior managers declined to accept their bonus in the year.



Our gender pay differences remain significantly lower than the UK average

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. 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.

There is always more to do to reduce our pay gap and we are committed to improving diversity and inclusion and achieving a better distribution, particularly at a senior level. There are clear areas of focus which we believe will contribute to reducing our gender pay gap. Current areas include the following.

Community education

Our education team continues to engage with and visit hundreds of educational establishments, including nurseries, primary and secondary schools, colleges, and universities, to raise awareness of Wessex Water, the work we do and the job opportunities we offer.

As part of our strategy to provide access to opportunities from all areas of the community we particularly focus on attracting women and girls to careers with us. We have continued to enhance our usual schools and careers fair attendance with the addition of online engagements. These have included company overviews, apprenticeship opportunities, and work skills such as CV building and interview techniques.

Academy and skills

Our internal careers team supporting with apprentices, industrial placements, graduates, and work experience is at the heart of our continued commitment to support attraction, development, retention and maintaining our talent pipeline whilst bridging the gender pay gap.

The team has seen, and will continue to see, significant growth in 2023/2024 allowing a clearer focus on inspiring young people to work in the water industry, supporting our existing staff to develop and providing pastoral support and guidance to those new in the world of work. The significant change in the team definition is the expansion of the remit from just 'Early Careers' to ensure the clear message; development and training is for all ages and stages of a career.

We continue to offer work experience to share various careers options and give experience of the differences between departments. The ability to register interest in the programme remains open throughout the year, with applications to participate opening in January each 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 females - engineering, utilities and construction. Apprenticeships remain a key element of our resourcing strategy to build and maintain a competent sustainable workforce.

We continue to develop and grow our apprentice programmes and strive to attract female apprentices, working with the local community to promote apprenticeships as a valued and respected career pathway.

Our innovative recruitment process offers an online process, focusing on personality traits, personal requirements, and technical potential, identified through an online portal that is both informative for the candidate and provides effective and relevant assessment for recruiting managers. To counteract any unconscious bias apprentice hiring managers receive blind applications.

We continue to develop and grow our apprentice programmes and strive to attract female apprentices



Graduates

We remain 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 to create meaningful careers. Of our workforce, 10% currently undertake learning and development through apprenticeships, further or higher education.

In addition to our own website recruiting platform, we now promote our opportunities through 45 relevant universities across the country. We focus on those institutions that not only deliver relevant degree courses but also, through their widening participation activities, have higher numbers of students from underrepresented groups.

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 which 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 seek to attract high quality candidates who wish to work part time, job share or flexibly, including in senior management roles.

By offering flexible and part-time opportunities we expect to improve 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. Each executive leader sponsors a characteristic area within our action plans. 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.

We are making good progress with culture, inclusion, and diversity (CID) initiatives. Some of the highlights we have achieved and enhanced this year include:

- **National Inclusion Week 2023** - holding our own inclusive week with the theme Take Action, Make Impact
- **taking feedback from our people** - surveys of all new starters and leavers during 2023 asking specific questions about our diversity and inclusion.
- **external partnerships**
- **Bristol Future Talent Partnership** - a career insight week for two schools in Bristol that included an overview of career opportunities
- **Women's Work Lab** - placements across the business for mothers returning to the workplace.
- **Menopause Network** - an internal networking group to discuss experiences and ideas for how we can support people better in the workplace.
- **Disability Working Group** - an internal group led by employees to drive initiatives that support colleagues with a disability.
- **Race At Work Group** - an internal group, again led by employees, to promote opportunities and break down barriers for colleagues from ethnic minority backgrounds.



We are building a workforce that reflects the diversity of the community we serve

We have continued to make positive progress with several internal CID initiatives including the introduction of sexual orientation awareness training through our e-learning system, iLearn, to support managers and employees.

Our culture, inclusion and diversity vision is now the core of our commitment to inclusion and diversity and will drive our programme of work. The vision has been fully endorsed by our leadership team and outlines what both the team and culture champions want to achieve for the business:

- celebrate diversity and encourage inclusion
- enable everyone to take ownership and accountability through empowerment
- listen to our people's views, ideas and concerns, and act on them
- reject any form of discrimination or bias
- reflect the diversity of the communities we serve.

The continued success of the Wessex Water Group businesses depends on us attracting and retaining the very best talent. We need to be a business that appeals to the widest and most diverse range of potential employees.

We aim to be a place where everyone enjoys working and feels they are treated fairly and given every opportunity to further their career. 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.

Reflecting the community that we serve

We endeavour 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 just gender, but also ethnicity, race, disability, sexual orientation, and social background.



Our culture, inclusion and diversity vision is now the core of our commitment to inclusion and diversity

Assurance statement

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



Colin Skellett
Chief Executive

*As an equal
opportunities employer,
we respect and value
everyone's contribution*





Wessex Water
YTL GROUP

FOR YOU. FOR LIFE.