

The background features two large, stylized human figures. On the left is a male figure, and on the right is a female figure. They are rendered in a light blue color against a darker blue background. The figures are simplified, with circular heads and rounded, blocky bodies.

Bristol Water Gender Pay Gap Report



Snapshot Date: 5th April 2018

Introduction

At Bristol Water, growing our people and our business is a key strategic aim. We recognise that diversity is a critical part of any successful business and in that vein we want all of our people to be able to reach their full potential.

As a proud part of the community, it's important to Bristol Water that our people are valued, recognised, and rewarded for the hard work they complete. We understand that it is our people that help us excel and succeed as a business for our customers and in return we want to reward them with job satisfaction, career development and an environment in which they can thrive.

Attracting and retaining our people is of paramount importance. Last year we developed a career website and in house resourcing function to support this agenda. Advances in this area include gender neutral advertising to attract a wide range of applicants to our opportunities. We recruit the highest performing individuals into our roles and our selection methods focus on assessing each candidate on their merits.

Looking ahead, it is our intention to build a longer term strategy of growing capabilities and careers within not only Bristol Water, but the Water Industry as a whole. We particularly want to consider the lack of female representation in certain roles and intend to invest in a longer term pipeline of emerging talent through engagement with our local schools and colleges to spark a passion for the work we do.

I am pleased therefore to present to you our gender pay gap report for this year and share with you some of the positive steps Bristol Water is taking as a company, in the community and hopefully in the industry as a whole.



Mel Karam, Chief Executive Officer

A handwritten signature in dark ink, appearing to read 'Mel Karam', with a stylized flourish at the end.

Our Gender Pay Gap information has been externally audited and this statement confirms our data is accurate as of 5th April 2018.

The Gender Pay Gap

Gender Pay Gap reporting is a legislative requirement introduced in 2017 for all employers with more than 250 employees. Bristol Water published its Gender Pay Gap report for the first time earlier this year based on data as at 5th April 2017. This report is based on the data of employees of Bristol Water as at 5th April 2018.

The Gender Pay Gap identifies the difference in average earnings for all men and all women across the whole organisation.

Gender Pay should not be confused with Equal Pay. Gender Pay focuses on the average earnings of all of the men in the organisation as compared to the average earnings of all of the women in the organisation. Equal pay is focused on the right for men and women to be paid at the same rate of pay for work that is of equivalent value.

The analysis

This report complies with the analytic requirements of the legislation which considers two calculations of the average, the 'mean' and the 'median'.

The mean is calculated by adding up every value and dividing the total by the number of people.

The median is calculated by listing every value in numerical order and identifying the value that sits in the middle.

Whereas these measures give an indication of what the data says, it's important to recognise that as values of average, they do not tell the whole story without appropriate context.

Bristol Water's Gender Pay Gap

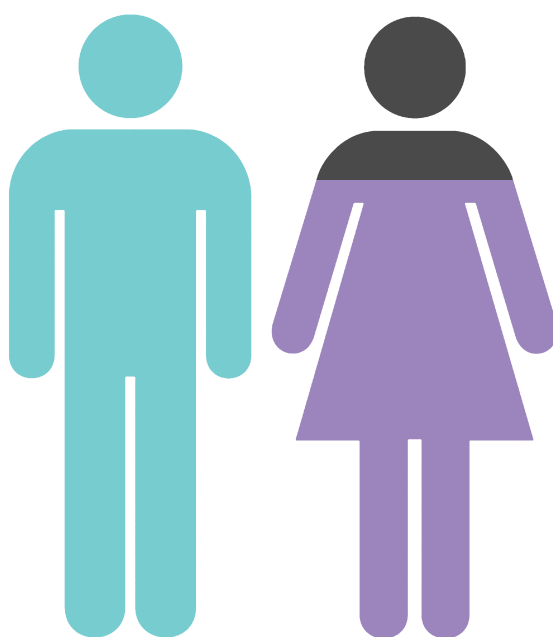
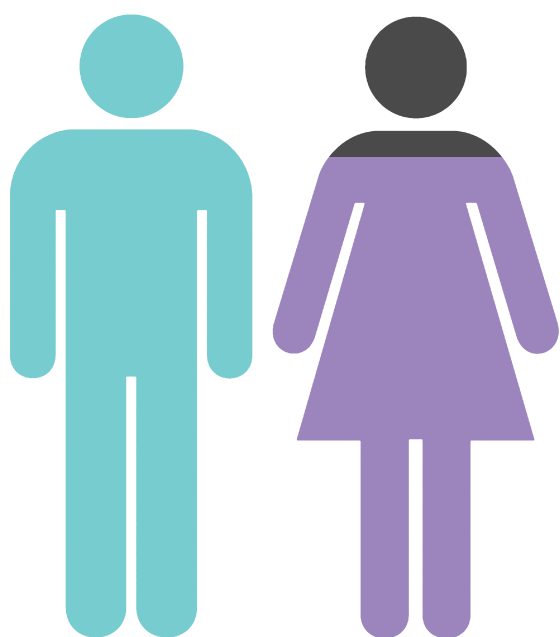
The Gender Pay Gap as reported here, is the difference in the average hourly pay between men and women.

The mean difference is:

20.2% mean gender pay gap

The median difference is:

23.5% median gender pay gap

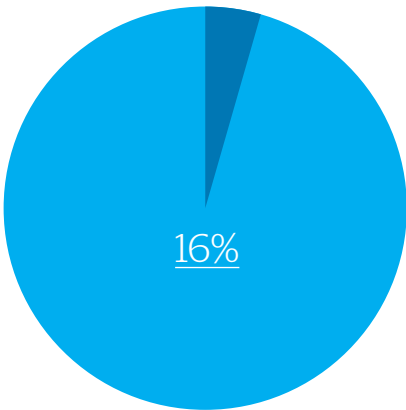


How does this compare?

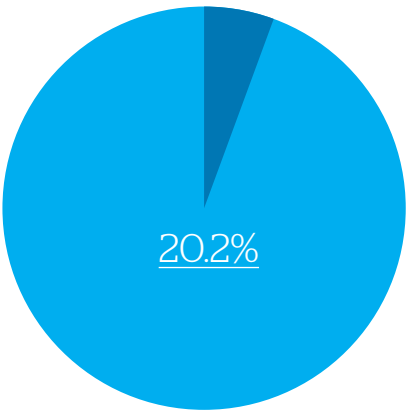
In 2017, Bristol Water reported a mean gender pay gap of 16.0% and a median gender pay gap of 21.6%. For 2018, our figures have increased. Although disappointing at face value, this report highlights the influencing factors to explain the slight increase.

Mean Gender Pay Gap

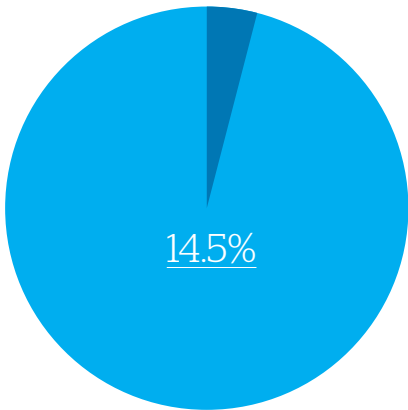
2017 BW Mean



2018 BW Mean

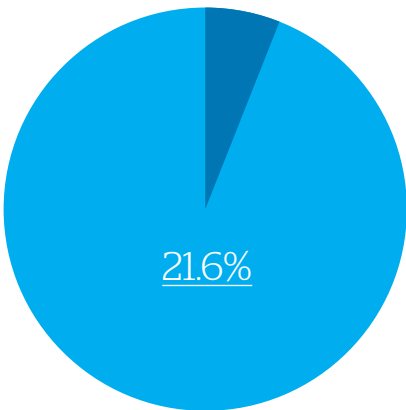


2017 UK Mean

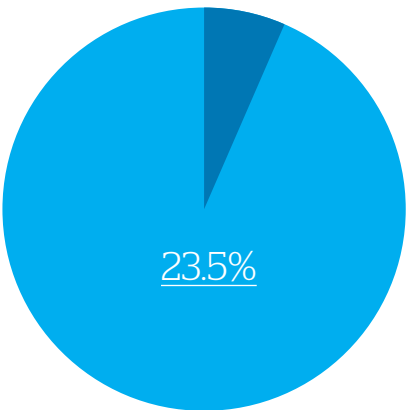


Median Gender Pay Gap

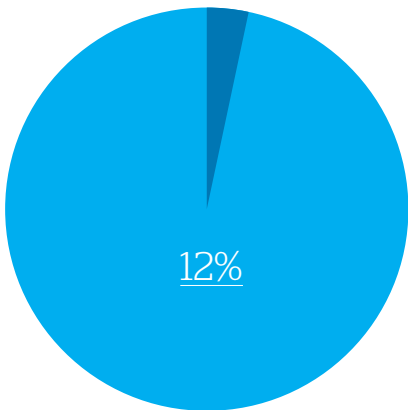
2017 BW Median



2018 BW Median



2017 UK Median



What is included in the Gender Pay Gap calculations?

The Gender Pay Gap calculations encompass all relevant employees within Bristol Water on 5th April 2018. Employees on reduced pay which includes sick or maternity pay or shared parental leave are excluded from the calculations.

Hourly pay is calculated to include standby/callout payments and other supplements. Excluded from calculations are overtime, salary sacrifice and termination of employment payments.

Annual bonus payments are recorded and reported separately in this report.

Context to our Gender Pay Gap

As with many UK companies Bristol Water currently has a Gender Pay Gap. Part of the context of this is at 5th April 2018 Bristol Water had more men occupying senior roles than women. In part this has been due to turnover in a number of senior positions. These senior positions attract higher rates of pay which have contributed to the Gender Pay Gap. In addition, we have a higher proportion of males fulfilling roles which attract shift premium payments. This too has contributed to the Gender Pay Gap.

As a company we are committed to positively influencing this in the long term and our collaboration with local schools and colleges is part of this strategy.

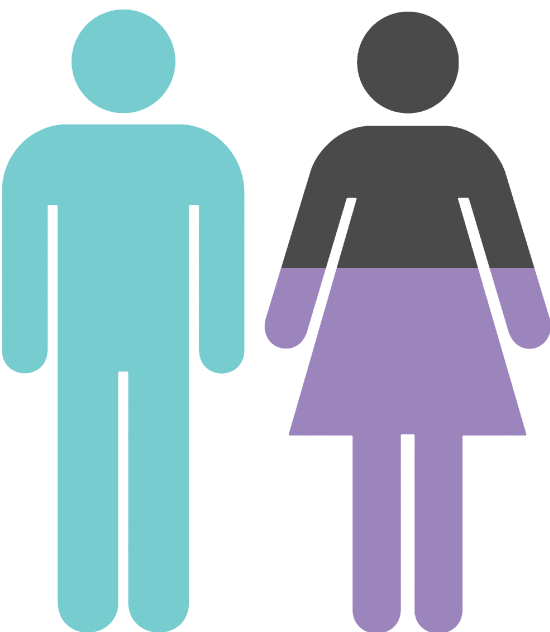
We have implemented flexible working policies to attract and retain talented people. In addition to developing our existing colleagues skill sets we are also reviewing our sources of advertisement of our vacancies to ensure we reach an increasingly diverse group of candidates.

Our Gender Bonus Gap

The Gender Bonus Gap is the difference in the average bonus received between all men and all women. We have reported this in both mean and median values.

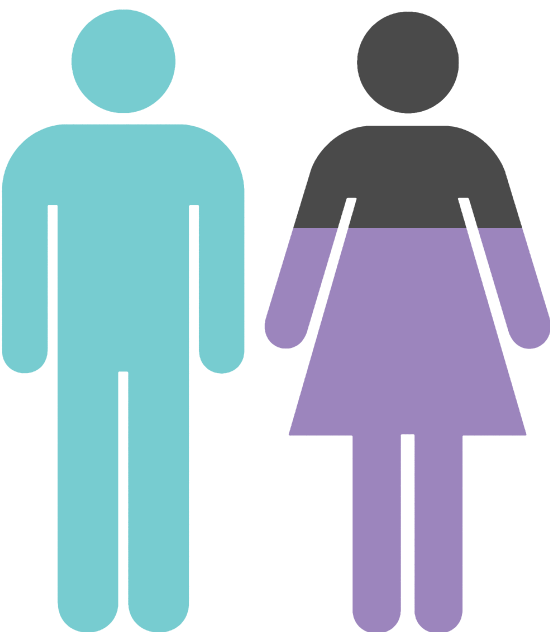
The mean difference in bonus is:

44.1% mean gender bonus gap



The median difference in bonus is:

38.5% median gender bonus gap

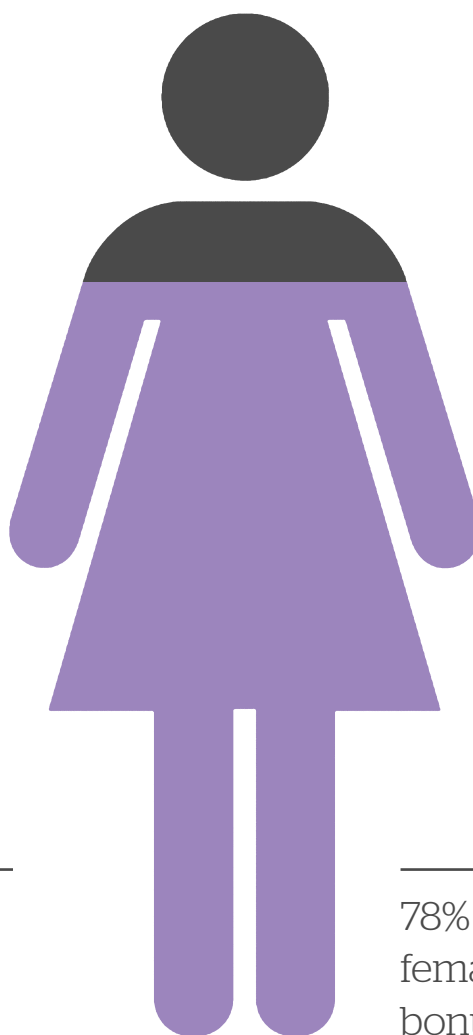


Our Gender Bonus Gap

In the 12 months before 5th April 2018 82% of relevant males and 78% of relevant females received a bonus.



82% of relevant
males got a
bonus



78% of relevant
females got a
bonus

Context to our Gender Bonus Gap

There are many relevant factors to consider when reviewing our Gender Bonus Gap. Most significantly a larger Gender Bonus Gap can be seen due to the fact that more men than women hold senior roles, therefore attracting higher bonus payments.

Of the top 20 bonuses that were paid by Bristol Water, 17 were male employees and 3 were female employees. This does not mean males and females working at the same level are receiving different rates of bonus, this figure represents a value of the average of all females and all males regardless of role and seniority.

In addition, 34 females and 68 males received no bonus due to insufficient length of service or contract type. This too had an impact on the Gender Bonus Gap.

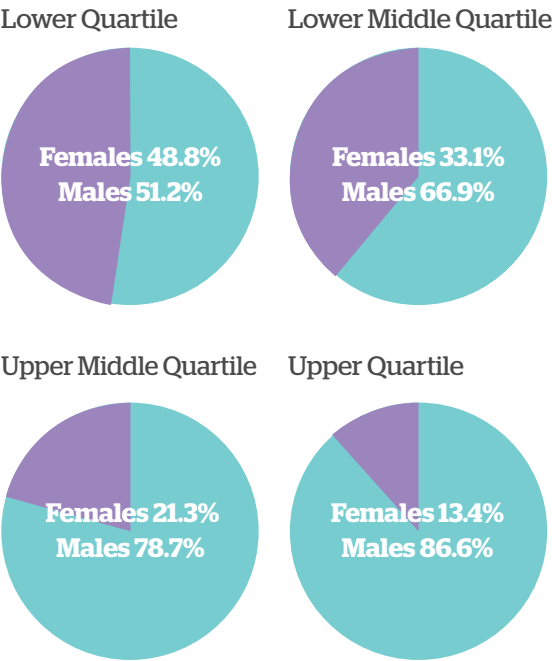
More females work part time in the organisation, again contributing to the Gender Bonus Gap as bonus is based on their pro-rata salary.

We are pleased to confirm that women on maternity leave or men/women on shared parental leave are still entitled to receive their bonus. This is representative of just one of our policies to promote equality amongst all employees.



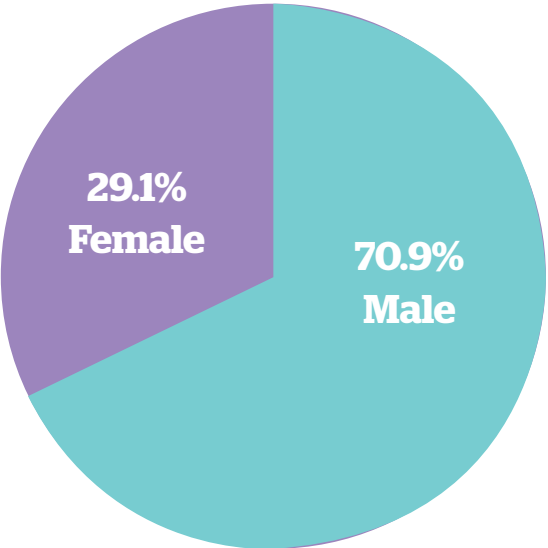
Pay Distribution within Quartiles

The 4 Quartiles of pay distribution



Quartile pay band distribution is calculated by listing the highest paid to the lowest paid employee and assigning them a position in a list. This list is then divided into 4 equal parts (quartiles) and the percentage of males and females falling within in each quartile is calculated. The quartile pay band distribution for Bristol Water is illustrated above and colour coded for ease.

Workforce split



As demonstrated, females are underrepresented in each of the four quartiles and not just at senior levels. This correlation is to be expected as the company workforce contains significantly higher numbers of males. At Bristol Water on 5th April 2018, 29.1% of the workforce was female and 70.9% were male. Bristol Water is committed to working with the industry and other UK companies to improve gender representation across the full spectrum of roles.

How does this compare to 2017?

The increase in Gender Pay Gap reported is linked to several factors. Significantly we have increased our workforce at senior levels and predominately male employees have filled these roles.

Secondly, our workforce as a whole has increased by c.30 people in the 'Relevant Employee' category having an impact on the calculations and therefore the figures are not directly comparable with last year due to this business growth.

Although the reported numbers are in line with the regulations, we do not feel this increase is representative of the hard work already underway to address the Gender Pay Gap in Bristol Water. It is likely to be some years before the benefit of this additional focus and investment is realised. It is anticipated that UK wide it may take decades to completely close the Gender Pay Gap. We are hopeful that Bristol Water will achieve this much sooner, we understand that some of the issues are inherent to sectors and markets and that long term investment and intervention is needed to provide balance.



What are we doing to address the gap?



Bristol Water attending the "Women in Work" Event in 2018

As previously explained, having a Gender Pay Gap does not mean that men and women are being paid different amounts for the same work. It does however bring several factors to light that enable the organisation to better focus its efforts.

These include:

- Only 29.1% of the workforce is female
- The Upper Pay Quartile within the workforce is 86.6% male
- That there are many more males in roles benefiting from shift premiums than females and this impacts our Gender Pay Gap

With this information there are several steps the company has taken and will continue to take as part of a longer term ambition to close the Gender Pay Gap in Bristol Water.

Some positive context to report includes; gender neutral advertising to attract male and female candidates equally to roles, competency based interviewing to ensure candidates are scored against consistent and objective measures, training to support equality and diversity awareness. Similarly we are expanding engagement with local schools and educational establishments to inform students of prospective career opportunities in the Water sector and at Bristol Water. We are proud to have participated in events such as "Women in Work" and "Women in Engineering".

The women in work event is an excellent example of how Bristol Water is working with local groups like the Job Centre to connect with women in the community and raise awareness of the different and exciting career opportunities available. We are also pleased to support some of our colleagues who have volunteered to be mentors under the Women In Science & Engineering scheme (WISE).

Since the data was captured in April 2018 we are pleased to report a second female executive team member is now in post.

Bristol Water remains committed to employing the most suitable candidate for each role whilst being determined to achieve the longer term ambition of reducing the Gender Pay Gap. Our activities of increasing education and awareness amongst young people of career opportunities in the Water Industry remains a key part of our ongoing strategy to inspire more young women to choose a career in Operational Water roles in the future.

