

# Gender pay gap report

5th April 2020



YorkshireWater

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# Introduction

## I am pleased to report on Yorkshire Water's gender pay gap figures for the year to April 5 2020.

Since mandatory pay gap reporting was introduced in 2017, the data for Yorkshire Water has shown a steady reduction of the gender pay gap at both median and mean level. In the report for the year ended 5 April 2019, the mean figure was 1.5% and the median figure 0.1%. This year the figures show a median pay gap of - 0.3% and a mean figure of -0.5%.

The narrowing of the gap can largely be attributed to a steady change in the profile of our workforce. Like many companies in our sector, our workforce profile has in the past been largely male and as a result, the company has had more men than women in senior, better paid roles.

Over time, and particularly in the last few years, the number of women in higher paid, more senior positions has increased and, between 2017 and 2020, there has also been a reduction in the number of women in the lowest pay quartile.

Gender pay gap data is only one part of the way in which we assess the diversity and fairness of our workforce profile. We also publish our ethnicity pay gap and this is part of a wider report which sets out data showing the profile of our workforce by gender, ethnicity and to a limited extent disability.

Showing an accurate picture depends on having high quality comprehensive data. Our gender data is comprehensive and accurate, but our ethnicity data, although stronger than many organisations has some gaps in declarations. Our objective is to improve the level of declarations.

Yorkshire Water is also part of a group of employers in Leeds which have committed to publish their diversity data in a common format meaning that over time it should be possible to show a city wide position of the employment profile of the city's largest employers, meaning that collective approaches to making improvements can be made.

We welcome a dialogue with colleagues, communities and stakeholders about our data and if you have comments, we would be delighted to hear from you.



**Liz Barber**  
Chief Executive Officer  
Yorkshire Water

# Gender pay gap

On the following pages we show Yorkshire Water's overall median and mean gender pay data based on hourly rates of pay as at the snapshot date of 5 April 2020 with a comparison to 2019, our third year of reporting.

We also show median and mean bonus pay data for bonuses paid up to 5 April, plus some additional information to explain our pay data and how we are addressing the gender pay gap.

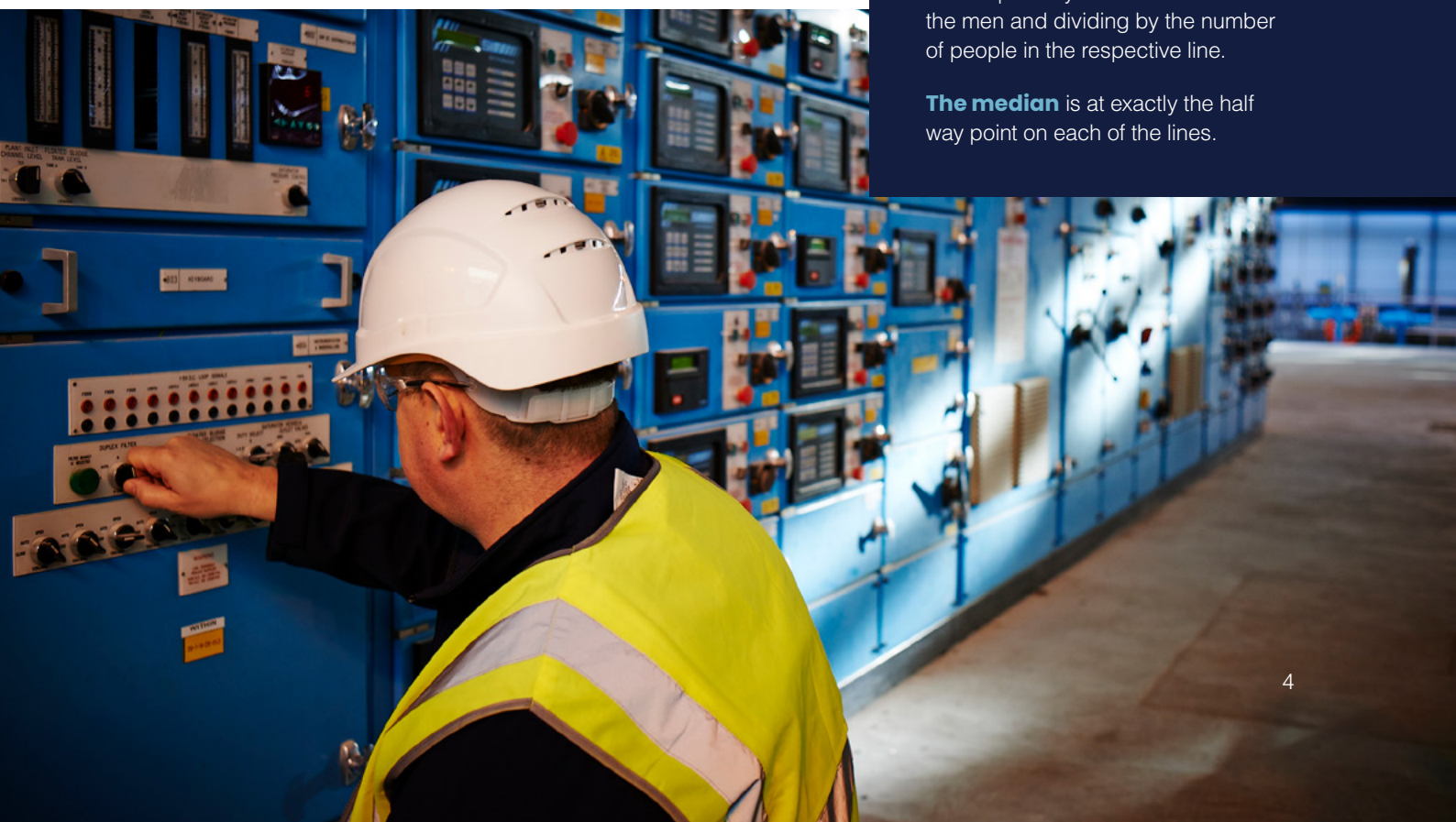
Yorkshire Water has had a predominantly male and long-serving engineering and technical workforce. This historic workforce balance towards men will take a sustained effort, over many years, to change.

## What is the difference between mean and median?

The mean and median are two ways of calculating the average hourly pay and average bonus of women and men at Yorkshire Water. If we created two lines, one with all the women in Yorkshire Water and the other all the men:

**The mean** is adding up all the data separately for the women and the men and dividing by the number of people in the respective line.

**The median** is at exactly the half way point on each of the lines.



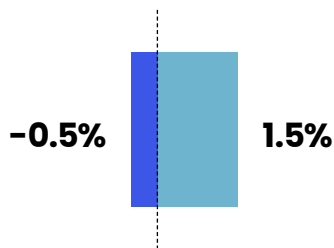
## Gender pay gap

**There has been a positive change in the mean gender pay gap number between 2019 and 2020 with a further closing of the gap from one year to the next.**

For the first time since the pay gap reporting has started, both mean and median pay gaps are favourable for female colleagues.

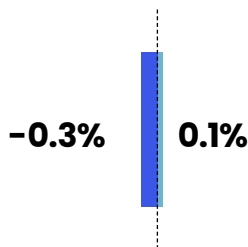
The difference between the **mean hourly rate of pay** of male full-pay relevant colleagues and that of female full-pay relevant colleagues;

- 2019
- 2020



The difference between the **median hourly rate of pay** of male full-pay relevant colleagues and that of female full-pay relevant colleagues;

- 2019
- 2020



Did you know the National Average Mean Pay Gap (2019 submissions) is **14.1%\***

Our Mean Pay Gap in 2020 is now **-0.5%**

National Average Median Pay Gap (2019 submissions) is **12.8%\***

Our Median Pay Gap is **-0.3%**

\*based on 2019 figures from Gender Pay Gap Service Gov UK

## Bonus Pay Gap

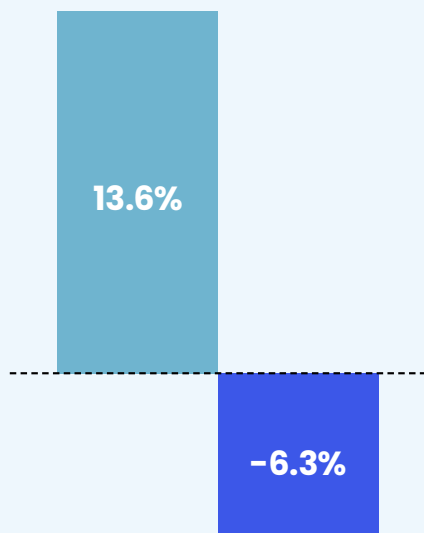
**Both the mean and the median bonus pay gap numbers have narrowed from 2019 to 2020.**

The median bonus pay gap has reverted back to the same position as 2017 i.e. 0%. The mean bonus pay gap is favourable for females at -6.3%.

An increase in the proportion of women in more senior positions, in recent years, has had a positive effect on both the mean and median bonus pay gap numbers for this year.

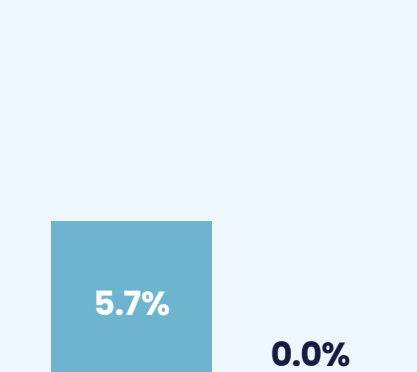
The difference between the **mean bonus pay** paid to male relevant colleagues and that paid to female relevant colleagues;

- 2019
- 2020



The difference between the **median bonus pay** paid to male relevant colleagues and that paid to female relevant colleagues;

- 2019
- 2020



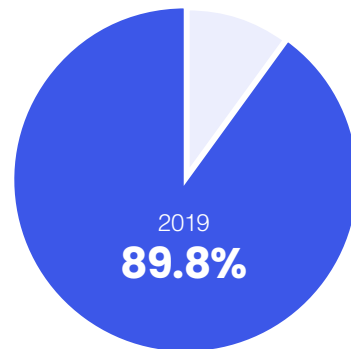
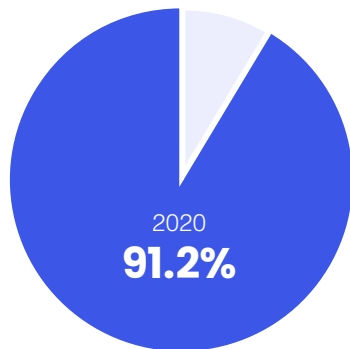
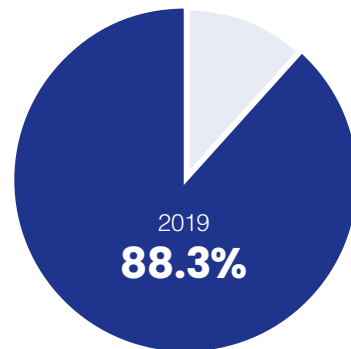
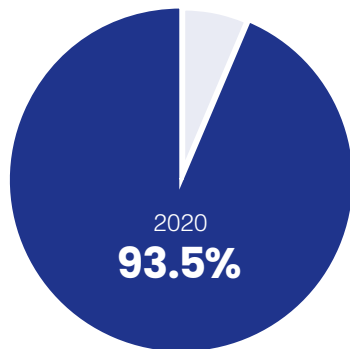


## Percentage Receiving Bonus

**The proportion of both female and male colleagues receiving a bonus in 2020 has increased from 2019 to 2020.**

The proportions of male and female relevant colleagues who were paid bonus pay;

- Males
- Females



## Distribution of colleagues by Quartile

### Gender pay gap numbers are often a reflection of a greater proportion of one gender in more senior and, therefore, better paid roles.

Between 2019 and 2020 there was an increase in the proportion of females in the more senior roles in the business. This is subsequently reflected in an increase in the proportion of females in the upper quartile and, therefore, the higher paid roles in the business.

Using the 2020 gender pay gap numbers, across the whole of the business, 77% of colleagues were male and 23% female.

In general, the proportion of males and females in each quartile is relatively close to the overall percentage split of males and females in the business. This helps, in part, explain the low pay gap numbers for 2020. This is supported through the broader focus on diversity and inclusion in the Business. Pages 9 and 10 give more background to this.

The proportions of male and female full-pay relevant colleagues in the lower, lower middle, upper middle and upper quartile pay bands.

- Males
- Females



Proportion of males and females when divided into four groups (quartiles) ordered from lowest to highest paid.



# The last 12 months

## D&I Action Plan (Supporting a better representation of the communities we serve)



During the last year, we launched cohort 5 of the Women's Leadership programme. Of all of the cohorts, at least 60% of those participating have progressed their career either in an upward or lateral manner. Additionally, we have run, the second cohort of a BAME leadership programme with positive participant feedback.

## Review of our Recruitment processes to support our aim of further inclusion



A review was undertaken that allowed us to look at where we could make our recruitment processes more inclusive. From this, specific areas of improvement were identified including the need to have a more targeted approach when engaging with communities around us as well as ensuring that all recruitment exercises are more inclusive and diverse.

## Social Mobility



Within the last year, the business signed up to Water UK's call for action regarding the Social mobility pledge.

## Diversity and Inclusion Streams



We have 4 Diversity and Inclusion streams that have continued to be active within Yorkshire Water – Gender, Ethnicity, LGBTQ+ and Disability. The leads of each stream are voluntary and are taken from across the broader business and are supported with an Executive sponsor.

## Working with External organisations



We continued to work with several external organisations to share best practice and support each other. This included the Energy Utility and Skills Partnership and we engaged with the #energisinginclusion – an industry wide commitment that we have been part of all year that encourages companies to share positive initiatives in support of inclusion.

We also engage with both the Lighthouse trust and Barnardo's who support us in offering internships and work experience to young people with varying challenges.

## Reporting



We have continued to produce the gender pay gap and, voluntarily will continue to produce, ethnicity pay gap reports as part of our broader drive for greater inclusion.

As part of this gender pay gap reporting process we provided our pay data for our colleagues to Ernst & Young to provide external verification of the calculations and reporting of the required numbers.

# The next 12 months

## D&I Action Plan (Supporting a better representation of the communities we serve)



We will review the impact of our targeted leadership initiatives over the course of the next year and will apply relevant improvements to ensure the maximum impact is achieved on an ongoing basis and, for all future initiatives.

## Social Mobility



We will work to define how the Social Mobility pledge will be applied by Yorkshire and how it will be included in our future Diversity and Inclusion action plans.

## Working with External organisations



We will continue to work with external organisations both to provide support to others and to learn from the best practice of other businesses. We will also continue to review which external organisations we work with to ensure we are getting the best insight into which initiatives will help us with our broader diversity and inclusion aims.

## Review of our Recruitment processes to support our aim of further inclusion



We will continue with implementing the improvements to our recruitment processes. Specific actions will include the targeted advertising to specific groups, the adaption of our advertising language, giving a clearer indication of role expectations and the emphasis on the flexible working opportunities offered within the business.

We will also continuously review and improve our recruitment processes to ensure that inclusion is a central part of all recruitment exercises.

## Diversity and Inclusion Streams



We will continue the active engagement of all of our diversity and inclusion streams. Activities within this will include the running of a Diversity and Development event that will support the continued engagement colleagues and senior leaders in how we will create more balanced representation across the business. In addition, and, through the disability stream we will continue to improve how we meet the needs of colleagues who are disabled.

## Reporting



We will be producing our second 'Workforce Diversity Report' before the end of the 2020 calendar year. This report, as well as providing an overview of broader diversity and inclusion data also summarises the initiatives that will be undertaken in order to continue to progress the positioning of inclusion as central to everything we do in Yorkshire Water.

[yorkshirewater.com](http://yorkshirewater.com)

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