

Gender pay gap report 2022



from
**Southern
Water** 



Foreword



While publishing our Gender Pay Gap is a Government requirement, for me it's an opportunity to step back and review the wider progress we are making.

Diversity and inclusion is something I have always felt passionate about. I truly believe that creating environments where people can be themselves and difference is embraced is what delivers engagement, professional fulfilment and business success.

First the numbers. This year our median gender pay gap is -3.32% meaning that our middle point hourly rate is slightly skewed towards women. We have seen our mean gender pay gap improve from 4.8% in 2021 to 2.58% in 2022. This is largely explained by an improved gender balance at senior level with a higher proportion of women in upper and upper middle quartile roles. Our numbers are some of the best in the sector, and significantly stronger than National averages so we're going in the right direction.

However we remain a male dominated organisation, and indeed sector. While we have seen a small positive improvement and women now make up just over a quarter (26%) of our workforce, we know that if we are to improve our gender balance, then we need to place focus on recruitment and retention and provide everyone with the best possible opportunities to learn

and grow their careers with us. Based on the demographic of the Southern Water region, we have some ambitious targets and want to see female representation grow to 35% by 2030.

We're proud of our graduate and apprenticeship programmes. In 2022, 38% of our graduates were female. Supporting colleagues in their early careers is fundamental to building the future talent that both our sector and Southern Water will need. We've also been an active supporter of the Dare to Dream programme, an initiative created by the Local Jobs Foundation, with colleagues mentoring young people even before they leave school.

And while this report is about our Gender Pay Gap, for everyone at Southern Water diversity is not simply about gender balance, it's about recognising and embracing diversity in all its forms. We have a range of Employee Resource Groups, voluntary employee groups of people who share similar character life experiences. Our groups include LGBTQ+, neurodiversity, menopause, working parents and our women's network with more planned in the months ahead. Through these groups we seek to build

understanding and inclusivity so that everyone's needs can be met - National Inclusion Week is always a week of celebration and learning for us. For the third year running we were recognised as being one of the top 50 Most Inclusive Employers, a great achievement for the business.

For us, inclusivity doesn't stay within the workplace. We're also proud to support our local communities too. Not only have we provided grants to local programmes that build awareness and inclusivity, but our LGBTQ+ Employee Resource Group toured our region following local Pride events throughout the summer.

In this year's Gender Pay Gap Report, you'll not only find details of the numbers and what this indicates, but also some great examples of the work we're doing and the progress we're making. I truly believe that Southern Water is moving forward as a consequence of the passion, commitment and diversity that the team bring each and every day.

Lawrence Gosden, Chief Executive Officer.

What is the gender pay gap?

The gender pay gap is the difference between the average pay of men and women working for an organisation.

The hourly rate for women is expressed as a percentage of the hourly rate for men to illustrate the difference in how much men and women are paid. This is not the same as equal pay, which is legislation to ensure that men and women doing equivalent work receive equal pay.

Any company with more than 250 employees must publish its gender pay gap. The salary data in this report was a snapshot taken in April 2022. The Bonus information relates to the performance year from April 2021 to March 2022.



Calculating gender pay gaps

We report the median and mean percentage gap based on data from April 2022: The gap is a percentage of the salaries of women compared to that of men.

A positive number shows the gap is in favour of men and a negative one shows it is in favour of women. Data is shown for the median and mean of the salary data.

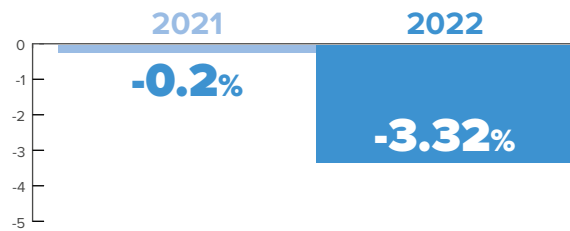
What is median?

The median is the middle number in a list of values which has been sorted into order. We list all hourly rates for women, and separately all the hourly rates for men. The median is the middle number of each list. The median pay gap is a percentage calculated by looking at the middle hourly rate for women and the middle hourly rate for men. The median measure is not as skewed by outlying individuals at either the upper or lower ends of the scale.

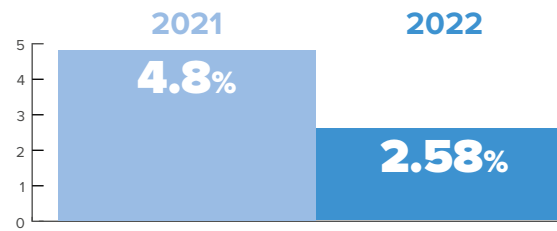
What is mean?

The mean percentage gap is in average hourly pay for men compared to women at all levels. The mean is calculated by adding up the data in a sample and then dividing by the number of data points. This approach means that the outcome can be skewed by a few high or low earning individuals. We do this for the salaries of men and women and then show the percentage gap between the two.

Our median and mean pay gaps are shown in the graphs below.



Median hourly pay gap



Mean hourly pay gap



Understanding our pay gaps:

Our median pay gap is -3.32%, meaning that it is in favour of women. The median gives a strong indicator or 'average' earnings as it is not skewed by a few individuals earning at high or low level (which can be true of the mean).

Our mean hourly pay gap has decreased by 2.22% percentage points to 2.58%. In 2021 the hourly pay gap had increased by approximately 2 percentage points from the previous year so this has now been reversed. The underlying reason for this is the movement in the gender balance in senior roles. There is a higher proportion of females in Upper and Upper Middle quartiles than in 2021.

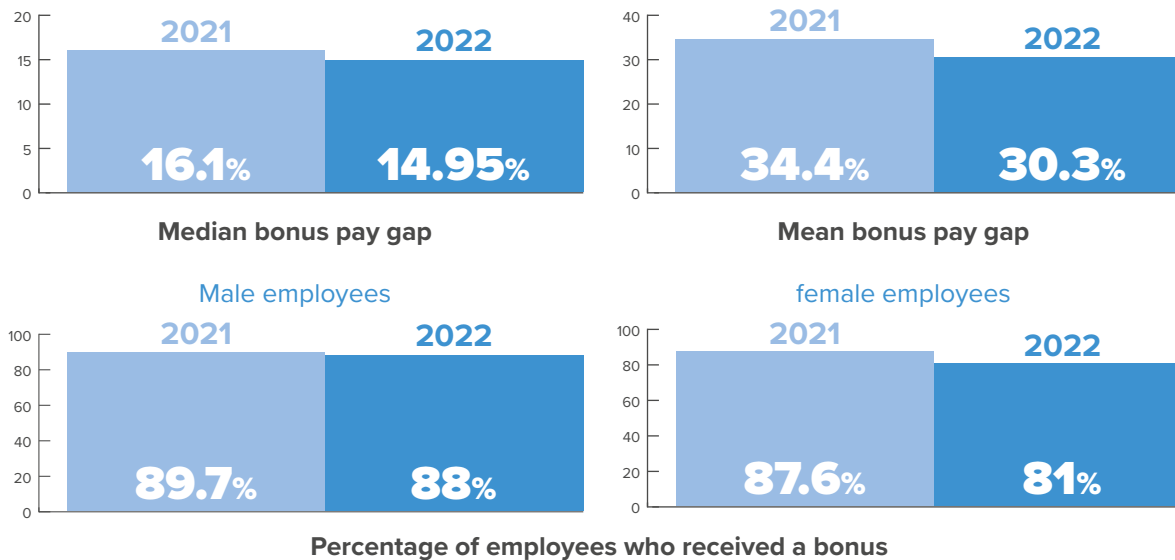
Bonus pay gap

The bonus pay gap between bonuses paid to men and women during the year 1 May 2021 to 30 April 2022. This is reported using both median and mean statistics.

All our employees are eligible to receive a bonus providing they:

- were employed no later than 4 January 2021; and
- were still employed and not under notice on the date of payment.

The figures relating to our bonus pay gap are as follows:

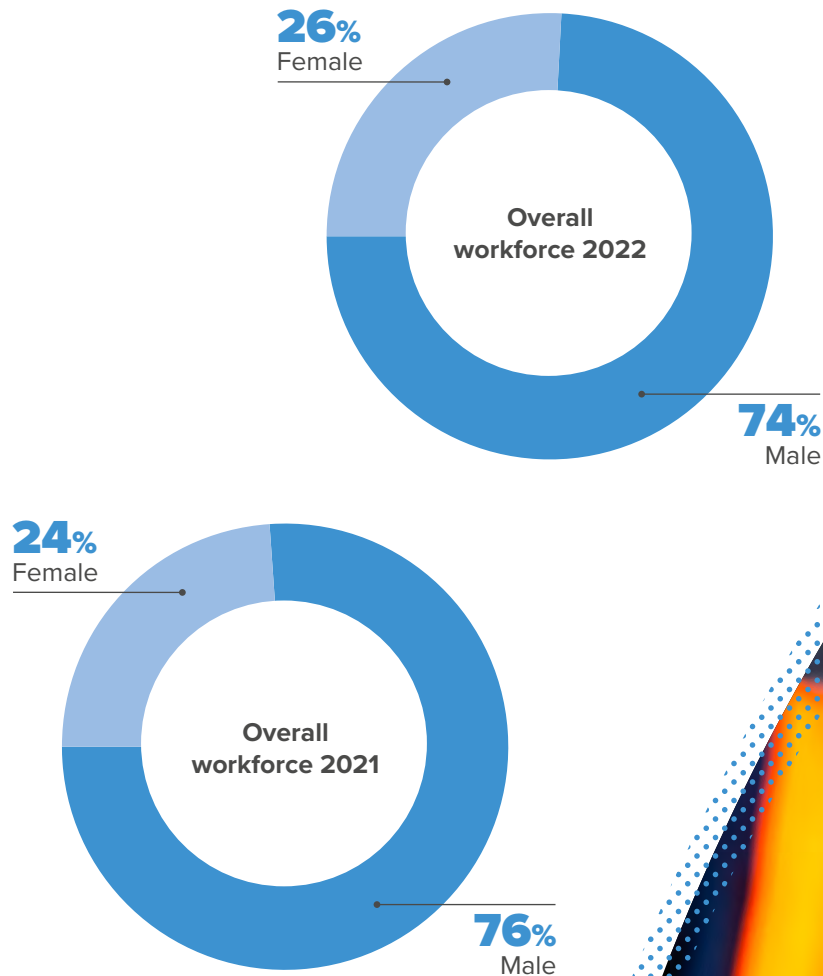


Understanding our bonus pay gaps:

We are pleased that both the mean and median bonus gaps reduced this year, which is in line with the results in previous years.

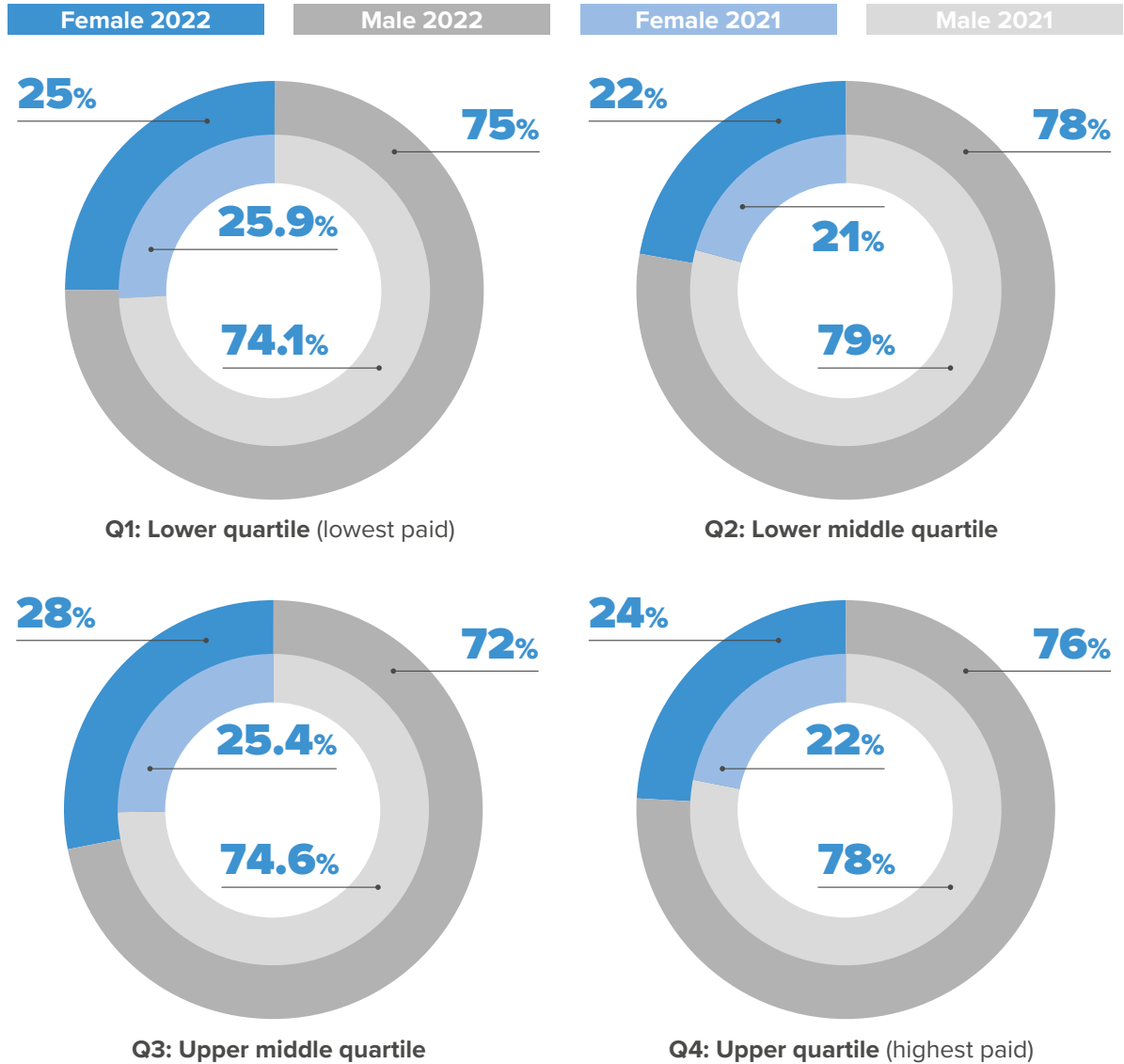
Distribution of employees in the organisation

Our employee group is made up of 26% women and 74% men. This is a small change to last year in favour of women.



Pay distribution

These graphs show the distribution of male and female employees in each of four equal quartiles – where quartile one (Q1) is the lowest paid and quartile four (Q4) is the highest paid. We see a similar pattern for each quartile as we see for the company overall with around three quarters of employees in each quartile being male.



Driving change

We're continuing to focus on increasing the diversity of our workforce through our recruitment and attraction approach, inclusive development programmes and ensuring that all of our people have an opportunity to grow and develop their career with us.

We want to show that working in the water industry is for everyone, that's why we've set ourselves targets that will support us to be more reflective of our communities in the South East:

By 2030, are aiming to have appealed to a diverse candidate base so that:

- **35%** of our workforce are women; and
- **11%** of our workforce are from an ethnic minority group.

2024

33%

Increase gender diversity at application to at least **33%** by 2024, building to **50%** by 2030.

2030

35%

35% overall female representation by 2030.

2030

11%

Targeting an **11%** ethnic minority representation.



Promoting a pipeline of talent

We've been focusing on creating a strong pipeline of talented women – this starts with how potential candidates see the Water Industry as a sector they can see themselves working in, and that we are an employer that will provide support and development for their career.

“We want an environment where women feel safe and feel equal. I'm really passionate about this issue, and I'm excited because we already have some amazing women at Southern Water with a wealth of experience and stories to share.”

Cath Jeffrey, Head of HR and Women's Network Chair.

“I love meeting the most amazing women that work at Southern Water! I had the absolute pleasure of spending the morning with Aoife Quinlivan, Senior Process Scientist. She has a PHD and has studied wastewater to the highest level. We were at St Robert Southwell Primary school's STEM fair and enjoyed speaking to the children from Reception to YR6.”

Joanne Wood, Education Officer.

“I chose this role as it's a good career path with a bright future and I felt that the apprenticeship would gain me experience to progress effectively in the field in the future.”

Erin Whitefield, ICA Apprentice.

“At Southern Water, we've been focusing on building up our employee resource groups and empowering them to help shape how we recognise, raise awareness and celebrate the wonderful diversity of our people.”

Sarah Porcelli, Head of Talent & Development.

“I have been blown away by the support, kindness and welcoming environment I am now working in.”

Claire Baldwin, Graduate Management Trainee.

“I am really enjoying working in an amazing team full of really nice people and learning such interesting things about all areas of the business, all day, every day.”

Natalie Fowle, Graduate Management Trainee 2022

Becoming more diverse and inclusive

Employee Resource Groups are voluntary employee-led groups of people who share similar characteristics or life experiences. These groups enable a collective voice to help influence business change such as the creation of a new policy.

Employee Resource Groups receive business support to champion ideas and development opportunities. As well as raising awareness and supporting the needs of our employees, Employee Resource Groups can help evolve our business strategy, including recruitment, and understanding our diverse range of customers and their needs.



LGBTQ+ **14** members

- Created own ident: BeYou collateral i.e. lanyard badge
- Raised awareness of LGBTQ+ issues and promoting inclusive conversations through guest speaker events:
- Hosted comedian Zoe Lyons talk
- Hosted drag queen fundraiser with Ophelia Payne for MindOut
- Hosted Joanne Lockwood and her wife discussing Joanne’s trans experience.
- Supported regional pride events throughout the year.

Menopause **22** members

- Provided guides and information for line managers supporting colleagues experiencing the Menopause
- Raised awareness of the support and access to health advice
- Signed the Menopause Pledge
- Partnered with Talking Menopause who ran an all-company webinar

Neurodiversity **16** members

- Hosted motivational speaker Fuchsia Carter to discuss her personal experience with disability and neurodiversity

Women’s Network **170+** members

- Joined the Women’s Utility Network
- Part of water peers network
- Hosted Michelle King on gender equality an workplace culture
- Joined Women On Boards

Working Parents **34** members

- Reviewing policies and return to work processes

In the pipeline

- Carers
- Disability
- Ethnicity and race
- Faith and Religion
- Lives touched by cancer

Graduates and apprenticeships

We're incredibly proud of our graduate and apprenticeship intakes. During 2022, we welcomed eight graduates (38% women) and 25 apprentices. We always take any chance to celebrate graduates and apprentices, past, present and future with the whole business.

On International Day of Women and Girls in Science day, we celebrated Lisa Gore, Process Technician, who started her career with an electrical apprenticeship in 2006, right after leaving school.



"I always wanted to build a career, rather than just get a job. I thought an apprenticeship was the perfect way to begin. I loved the idea of being paid while learning.

"What I loved the most was the hands-on learning bit. Instead of studying the theory, I was putting it in practice and seeing it all coming together. This is the most effective way to learn, I think. An apprenticeship is a great opportunity to learn and take your first step into the working world. You're given a real job, with a real salary and plenty of support to learn. I can't recommend it enough."

Simon Dickinson, Recruitment Manager, said: "This scheme is a brilliant opportunity for us to diversify our employee population, bringing youth and energy to complement our experienced team members. This type of scheme enables us to better reflect our customer base and ensure knowledge is passed on to secure the services for our customers in the long term."

As a graduate trainee at the very start of her water industry career, Alison, Director of Risk and Compliance, had two placements on very different parts of the PR99 price review.



She said: "Both gave me different experiences - exposure to information, to decision-making by senior leaders and exposure to regulators that might have otherwise taken many more years to gain.

"It also meant I could take that knowledge and confidence out into my substantive roles for the delivery period to implement those plans."

By the next price review, Alison was well placed with delivery and regulatory policy experience to successfully apply for roles in the strategic planning function.

Over the subsequent price reviews and AMP delivery, she cycled between planning and implementation or both: "Nothing helps develop high quality plans more than the experience of having to deliver them."



The award-winning [Spear Programme](#) helps young people overcome the challenges they face and build vital skills for their career, be fully prepared for the workplace and commit to long-term employment. The project recently received a Community Grant from our steering panel of employees, customers and young people.

In March, we supported their activities further by hosting a group of young people as part of the programme "Getting you ready for work" a group at our offices. 13 young people visited our workplace at Falmer offices and learnt about the different range of roles and opportunities to get a feel for the current workplace environment and opportunities to put into practice the skills they have been learning.

Celebrating our talent

To celebrate International Women in Engineering Day, we caught up with two of our own – Varsha Wylie, Principal Engineer, and Rachel Mutalima, Programme Design Manager – Networks.



Varsha said: “I had to adapt working in a male dominating industry but reading engineering at university already sets women up for that as the course itself is very male dominated.

What I experience in meetings - and is a gripe of mine, is when a woman makes a good point, which is then repeated or paraphrased by fellow male colleagues and get more positive feedback than when the woman made it in the first place.

“Teenagers, particularly girls, should be encouraged to enjoy maths and sciences and not feel like that studying these subjects would make them less ‘cool’ or less attractive in the eyes of their peers (boys or girls). You can look great and be amazing at maths and science – it’s not incompatible!”



Rachel said: “Being a woman in a male-dominated sector has had its ups and downs. As a positive, it felt really rewarding to work in a technical field and have the opportunity to

work on some complex projects and do what I do best. However, at times, I felt I had to work extra hard to ensure my voice was heard.

Over the years, I’ve experienced being on sites with no female facilities; I’ve had to endure sexist language (“If you don’t want to hear it, you can leave, love”); I’ve been patronised and blatantly ignored in male-dominated meetings while my male colleagues were listened to...The list is endless.

“However, I must say, the tide has started to turn recently. You still get a few people here and there who seem to feel an instruction carries more weight if it’s issued by a man, but I feel that this is happening less and less.”



Our Chief Customer Officer, Katy Taylor, has been chosen by Cranfield School of Management as one of their Women to Watch 2022!

Katy said: “I’m delighted to be included in this year’s annual ‘woman to watch’ list, by Cranfield School of Management. Diversity in business is crucial for long term success, especially given the challenges of cost of living and environmental sustainability.

“I am privileged to be able to bring that diversity to the executive and Boards I work with.”

Achievements, partnerships and focus areas

While we celebrated our third year of placing in the Inclusive Top 50, our female employees also benefited from access to professional support from the Womens Utilities Network. We also signed the Menopause Workplace Pledge this year.



We're a top 50 UK inclusive employer for the third year in a row. We're ranked 44 out of 50, an

increase of a couple of spaces since last year, which shows we're a workplace that takes pride in making us all feel like we can be our best selves.

The Inclusive Top 50 UK Employers is a definitive list of UK based organisations that promote inclusion across all protected characteristics, throughout each level of employment across their business. Representing the promotion of all strands of Diversity including Age, Disability, Gender, LGBT, Race, Faith & Religion, the annual index highlights a variety of organisations across different sectors.



Our partnership with Womens Utilities Network (WUN), gives employees access to the extensive mentoring network and events that WUN host.

The WUN was founded by women who've already built successful careers in the utility sector, to give other women the skills and confidence they need to build lasting, fulfilling careers.

"We're passionate about creating a culture where everyone feels that they belong and are able to bring their best selves to work – with women accounting for less than 30% of our workforce, we see the opportunity to partner with WUN as a way of providing and being part of a bigger industry wide focus on supporting women to grow and develop their careers in the utilities sector", said Sarah Porcelli, Head of Talent Development.



Following our signing of the Menopause Workplace Pledge, we partnered with Talking Menopause, who ran a jam-packed, interactive and insightful webinar on all things menopause, as part of our National Inclusion Week celebrations.

We also started offering free sanitary products in our main offices in September 2022.

Our recruitment approach

Our recruitment team continues to grow so that we can hire inclusively and reflect the communities we serve.

This includes reviewing gender-specific wording across all job roles, and highlighting flexible roles where possible. We've also piloted a Licence to Hire training module for all hiring managers to understand how to hire more inclusively.

Empowering our people to be themselves

BeYou: Our LGBTQ+ Employee resource Group



When Anna Sadlier, Charges and Revenue Lead, 41, was asked why she emigrated from Dublin to Brighton in 2011, she used to say she needed to “find herself and go on an adventure.”

What she really meant though was she needed “to come out.” “Don’t get me wrong she said”. “I had a great life in Dublin. But I was secretly consumed with pain from the anger I directed at myself and from deep loneliness. “I didn’t want to be gay. I didn’t want to discuss it. It wasn’t part of

my plan. I grew up with zero representation and didn’t know of any openly gay people, let alone any positive communication or celebration of the LGBTQ+ community. It took me a long time to acknowledge and understand my sexuality, never mind trying to accept and embrace it.

“I told no-one about my confusion and fear for the longest time. I was too ashamed that I couldn’t cope, and truly disgusted at myself for not having all the answers and solutions. On the outside though, everything looked fine. Nobody could see I was struggling and that made it an excruciatingly lonely place to be.

“Luckily, at age 28, alopecia left me mostly bald from the stress. I say ‘luckily’ because it was when I lost my hair that I realised my physical health was being badly affected and that things would only get worse if I didn’t do something about my stress levels and inner turmoil. I’d already lost my tonsils to chronic throat infections a few years earlier. No surprises as to why. The hair loss was the scare I needed.

“I began speaking openly to my family, who are also my best friends, and to a handful of trusted friends, about my confusion. I also went to counselling for a year, which enabled me to unravel the toxic pattern of thoughts I’d been entrenched in for over a decade.

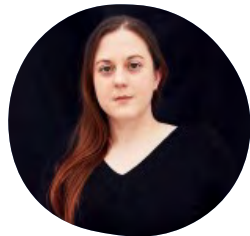
“It’s now with great joy I openly and proudly announce I’m gay. I’ve been very happily married for nearly six years to my incredible wife, Laura. We live in domestic chaotic bliss with our two little boys beside the sea.

“And when anyone asks me why I moved over to Brighton, I smile and say: ‘To find a wife and live happily ever after’. Mission accomplished. Oh, and I have loads of hair again.”

Anna is now part of the recently created LGBTQ+ resource group. She said: “The group celebrates and promotes this amazing community I’m part of. It’s so important to share our experiences so we can all learn from each other and support people who may be suffering in silence needlessly. It’s thanks to initiatives like this that Southern Water has been listed in the Inclusive Top 50 companies for 2021–22”.

Empowering our people to be themselves

Themed around our existing and future employee resource groups, and consulted by members, we ran a week's worth of all-company activities to help drive Equality, Diversity & Inclusion in the workplace, throughout National Inclusion Week.



Fuchsia Carter
Neurodiversity and disability



Lynda Bailey
Talking Menopause



Jamie Lawrence and Kevin George
Black male experience



Michelle King
Female leadership and inspiration



Ophelia Payne
Drag MC



David Law and Jag Jethwa
Why Faith Matters at Work



Over 200 colleagues tuned in to hear stand-up comedian **Zoe Lyons**, share her life experience as a gay woman.

Starting with her childhood in Catholic Ireland, Zoe delivered a comedic, yet humbling journey right up to her current happily married life in Hove.

Supporting our communities

We've also been focusing on supporting our communities and continuing to champion the great work they do to create an inclusive South-East.



Pop-up cafes, buddy support groups and training programmes for young people – just three schemes LGBTQ+ charity, Stone Crabs offer. When the StoneCrabs charity applied for funding under our Community Grants scheme last year, the charity had plans to tackle loneliness in the LGBTQ+ community on the Isle of Wight.

“We are grateful to Southern Water for providing funding to StoneCrabs, enabling us to provide dedicated support and connections for the Isle Of

Wight’s LGBTQ+ community. We are keen to introduce an awareness of LGBTQ+ struggles and the challenges faced to more organisations, making them more inclusive.”



BeYou, our LGBTQ+ employee resource group, toured our region following local Pride events throughout the summer. They ran our community stand, promoting BeYou, offering advice and support – and providing free water to the public. The tour kicked off at Worthing Pride.

Between April and December, our Community team reached over 21,000 people across 62 engagement events. This included school and community talks and events, including mentoring and work place visits.



“Mentoring is all about the student. It’s about supporting them in achieving their best and getting them to think about their future. The objective is to help them feel confident in themselves and their abilities to talk to unfamiliar adults who are representing working life.” Mani Iwuamadi, Southern Water Programme Manager, Engineering and Construction

In March, five of our employees started our pilot scheme mentoring 15 young people from the Worthing area.



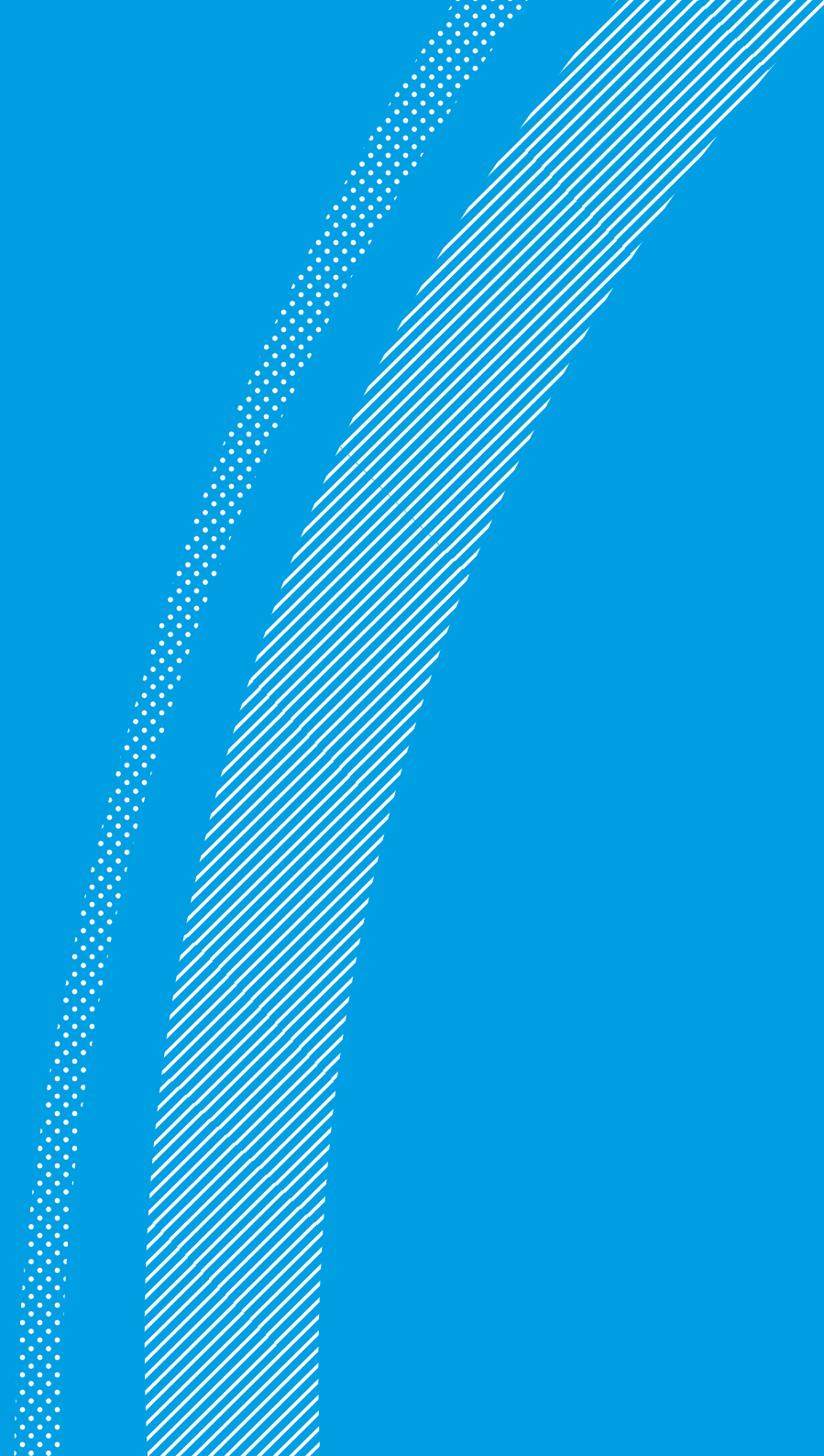
Dare to Dream is an inspirational programme initiated by the Love Local Jobs Foundation, which aims to provide local young people with experiences and tools to help them raise their aspiration and fulfil their potential. The programme works in partnership with local employers and local radio celebrity Jack the Lad – and we’ve provided five mentors, who will support 15 pupils from Bohunt School, Worthing.

Using themes of self-awareness, mindset, gratitude, resilience, teamwork and

employability, speakers and mentors use their own experiences to drive and motivate the students. Our mentors will act as role models and real-life endorsers of key programme values. They’ve been carefully matched to the students and will provided one-to-one support which aims to:

Grow pupils’ confidence and help them recognise and achieve their potential

- Engage them in future planning
- Increase their resilience.



from
Southern
Water 

The text 'from Southern Water' is in a white, sans-serif font. To the right of the word 'Water' is a graphic element consisting of three white, wavy lines that suggest water or a stylized 'S'.