



Gender Pay Gap Report

2022-23



Introduction



Welcome to our Gender Pay Gap Report for 2022-23, which we're delighted shows a small reduction in our gap.

However, we acknowledge the gender gap in our company is not representative of our wider society and we know we have a lot of work to do. It's a journey we're embracing to transform our processes and modernise our ways of working to attract and retain diverse talent and we expect to see a marked improvement.

Women have historically been underrepresented in the water sector and our business is no exception. We particularly have fewer women in senior and engineering roles. Women made up 36% of our workforce at the time of this report but recent demographics show women in our sector only make up 19% of the workforce generally, compared to 47% nationally*.

We're proud of our service to the community but our traditional approach to recruitment, ways of working, policies and practices have not enabled us to keep pace with today's dynamic and interconnected world where fostering equity, diversity and inclusion

has become a cornerstone to progressive organisations.

We want to create a great place to work and we also want to create an inclusive environment, where our people feel they can be their authentic selves.

Our goal is to create a place where our employees are led by people who role model our vision and values and where they are coached regularly and shown appreciation for their efforts. A place where we provide opportunities where people can develop and learn and use their strengths.

The steps and actions set out in this report are testament to our commitment to address our gender pay gap and ensuring Portsmouth Water is a fair and inclusive place for everyone.

I confirm that the data in this report has been calculated according to the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.



Rebekah Holbrook
Chief People Officer



Bob Taylor
Chief Executive Officer

Introduction



I have a very strong sense of fairness. Our gender pay gap as it stands is not fair and we are striving hard to turn that around at Portsmouth Water.

Our approach to gender pay is much more than the numbers. We want our reputation to be as a fair and inclusive place for everyone to work.

We've made great strides since this reporting period, updating our policies, making our packages more attractive and flexible and appointing women to our executive team and Board. When asked, our employees have indicated flexible, family-friendly policies are top of their wish list so we're overhauling our policies to make them attractive and competitive and most of all supportive.

We now believe there is no better time for people to join our team as we begin this transformation and modernise our ways of working to attract and retain more diverse talent.

We're growing very quickly as a business which is opening new opportunities and we may also adopt practices which favour females to create

better gender balance, including our wider focus on fostering an inclusive culture.

I've always been very focused on supporting people to develop their skills and learn while they work and it's particularly important we support female talent to upskill to more senior positions.

It's also good to see younger people joining the industry. Coming to work in a male dominated area can add to the challenge of starting a new job, so it's up to us as employers to make everyone feel comfortable in their roles.

All our employees are benefiting from joining equity, diversity and inclusion sessions this year and we welcome the changes ahead as we all put this into practice and make Portsmouth Water an even greater place to work.

Who we are...

Portsmouth Water has been the water supplier to Portsmouth and the surrounding areas since 1857. We work across South East Hampshire and West Sussex and at the time of this report we employed nearly 325 full-time employees, many from our local supply area.



We have a long tradition of providing top quality drinking water for the lowest bills in England and Wales and have a strong reputation for efficiency and industry-leading service.

Gender Pay Gap Reporting

Since April 2017, along with all companies with 250 employees or more, we have been required by law to report on our gender pay gap under the Equality Act 2010.

The gender pay gap is the average difference between the pay of men and women working for an organisation. It reflects the overall percentage of women working in an organisation and/or the seniority of the positions and pay grade of those positions.

The gender pay gap is not the same as equal pay, where legally men and women performing the same work must be paid the same. We comply fully with the law on equal pay.

This report covers all employees of Portsmouth Water from 6 April 2022 to 5 April 2023.



Our Gender Pay Gap

Our MEAN gender pay gap is 21.37%

(3.93% improvement from 25.3% in 2021-22)



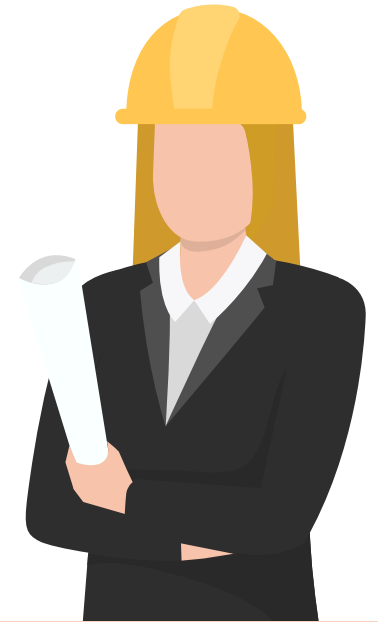
The mean gender pay gap is calculated by adding up all the pay of our employees and dividing that figure by the number of employees. (The final figure can be distorted by a small number at the top or bottom of the pay scale).

Our MEDIAN gender pay gap is 4.7%

(9.3% improvement from 14% in 2021-22)



The median gender pay gap is the middle of the range of all employees' pay – it's a better figure to use when there is a large range between the lowest and highest paid.



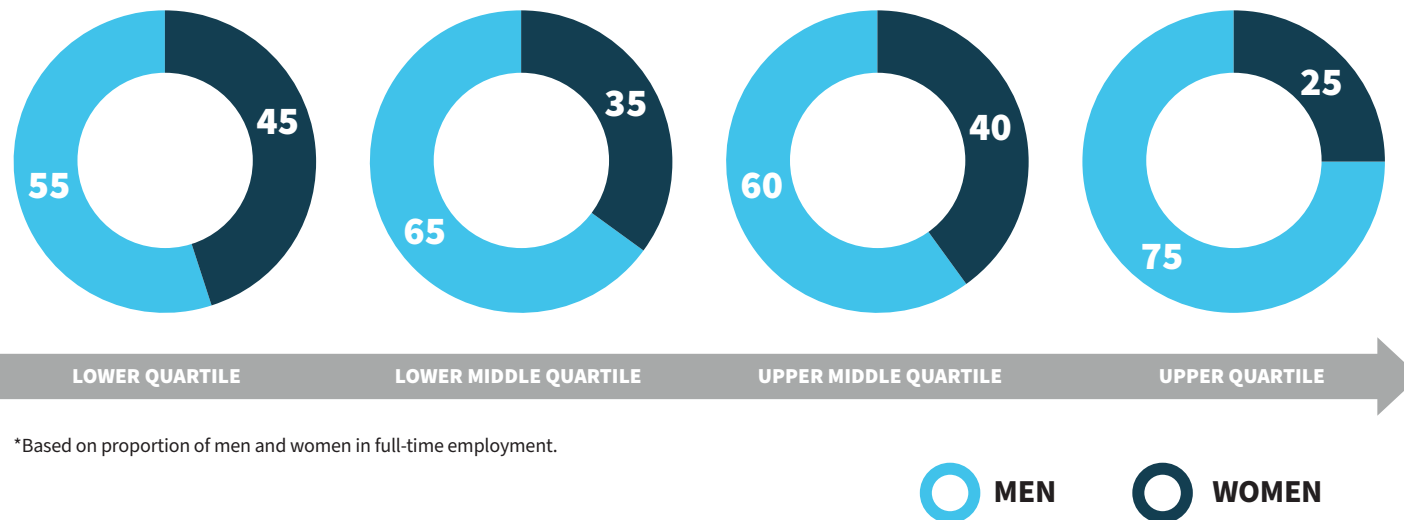
This year our gender pay gap reduced across both measures – it's an important step in the right direction. Overall in the UK, the estimated gender pay gap for 2023 is estimated to be 7.7% ([Office for National Statistics](#)).

How the Gender Gap varies across our workforce

During the period of this report our workforce was made up of 104 women and 183 men.

As part of our reporting, we've broken down the gender pay gap across our workforce – in four quarters of pay bands – ranging from Lower, Lower Middle, Upper Middle to Upper Quartile.

There was a higher percentage of men in all the quarters, with the smallest number of women employed in the higher pay bracket. Compared to the previous year's figures the number of women has reduced slightly in the top two tiers and increased slightly in the bottom two tiers.



*Based on proportion of men and women in full-time employment.



The split reflects the make-up of our company which historically has a higher number of men in senior and engineering and technical roles.

The number of employees in our company has increased by about a quarter in the last two years and we expect it to increase more in the future as we grow to deliver the large-scale projects outlined in our business plan for 2025-30.

With many life-long employees also moving towards retirement, we see this as an opportunity to make significant steps to reduce our gender pay gap in line with wider sectors and be more reflective of our local communities.

Our Bonus Gender Pay Gap

We also report each year on the gender pay gap for bonus payments to employees.

In 2022-23

15.85% of MEN received a bonus payment

(0.25% reduction from 16.1% in 2021-22)



9.62% of WOMEN received a bonus payment

(9.58% reduction from 19.2% in 2021-22)



The MEAN overall of our Bonus Gender Pay Gap remained about the same at 94.24%

(The sum of all the bonus pay of employees divided by the number of employees paid a bonus)
(Very slight increase from 94.1% the previous year)



The MEDIAN Bonus Gender Pay Gap increased to 80%

(the middle of the range of all employees' bonus payments)
(Significant increase from 16.7% the previous year)



Our reporting on our Bonus Gender Pay Gap considers several types of bonuses and reward payment. We've now introduced a new bonus scheme for all employees which will make reporting much clearer in the future.

All graded employees will be eligible for a bonus worth 6% of their salary. This will also be paid to employees on maternity, adoption and shared parental leave. We are reviewing our merit payment scheme to ensure we have more 'on-the-spot' reward and recognition practices.

We expect to see a significant improvement in our bonus gender pay gap figure as a result of these changes.

Positive change is underway

While our gender pay gap is improving, we've initiated many new approaches since this reporting period to bring about positive change in our equity, diversity and inclusion.

This is being led by our People Team, championed by the Board and Executive Team and is reaching every employee.



Positive change is underway

Equity, diversity and inclusion training

Following an audit to understand and benchmark equity, diversity and inclusion in our company, we've initiated a series of training sessions to reach every employee.

This started at the top of our company with the Board and executive team in 2023 and is being rolled out to all leaders in 2024, with awareness training for all employees so we can reduce unconscious bias and inequity in our workplace.

The audit found many areas to celebrate, such as a workplace culture characterised by kindness and decency, senior leaders' commitment to equity, diversity and inclusion having a positive impact and many feeling managers deal effectively with problems as they arise.

It also identified areas for improvement, such as the need for the equity, diversity and inclusion training, more initiatives led by the senior team and increased diversity at senior levels.



Positive change is underway

Recruiting new employees

We've overhauled our approach to recruitment – introducing gender decoding to make sure the wording in our adverts is gender-neutral and inclusive. This followed an audit which highlighted our adverts were very male outlooking.

We're now tracking the number of interested male and female applicants we receive and while we judge all applications on merit, if we don't receive any interested female applicants, we have committed to reviewing, amending and re-issuing the advert until we do.

We've also started to review CVs 'blind' and have plans to deliver unconscious bias training to our hiring managers.

Our current female workforce is currently mainly in non-technical roles but we're making progress, with some female roles in the field, positions in our Havant Thicket Reservoir delivery team and female management in our water quality team.

From March 2022 to March 2023, the number of Full Time Equivalent (FTE) posts filled by women increased across half of our 12 pay brackets. Since March 2023, we've seen further increases, particularly across the middle to higher pay brackets, and in posts in the senior leadership team which are not captured in these pay brackets.



Positive change is underway



Eleanor Shipton

Communications and Engagement
Lead, Havant Thicket Reservoir

Eleanor has been with Portsmouth Water for three years, leading on the communications and engagement for the company's critical infrastructure project, the construction of the first reservoir in the UK for decades.

Since joining she has been supported with management and leadership training at Havant and South Downs College and is working towards a marketing qualification with Chichester College.

She was nominated by the company to chair its WaterAid Committee and as a member of the Future Innovator's Board played a role in bringing forward the equity, diversity and inclusion review and training for the company.

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I've been given lots of opportunities since starting my role nearly three years ago and am now keen to progress into a more senior and management position within the company, in my area.

There's been lots of change at Portsmouth Water and alongside that a real appetite to develop a more established communications and marketing function.

We're obviously in a very male-dominated industry but I feel at Portsmouth Water lots of effort is being made to change that - for instance, we now have a female member of the executive team and we're rolling out some brilliant ED&I training for all staff.

While the company is not yet as gender balanced as it could be, I've found it to be an incredibly welcoming and supportive environment and a great place to work.

Positive change is underway



Sharon Darcy
Independent Non-Executive Director

Sharon Darcy joins Portsmouth Water Board

Sharon Darcy, a sustainability expert working to increase resilience with extensive experience in the water and energy sectors, was appointed as a non-executive director to the Portsmouth Water Board in October 2023. Her appointment maintains female representation on the Board at a third, as she replaced former MP Angela Smith.

RECRUITING SENIOR LEADERS

We've made key appointments at the top of our organisation to bring more female representation into senior roles since the period of this report. There's still a way to go but we're heading in the right direction and we're supporting more female employees on the next steps to senior leadership roles in the future.

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I was really pleased that at my first Board meeting we had a session on Equity, Diversity and Inclusion, to understand what that means for Portsmouth Water and the actions we can take. Diversity in all senses is so important for good governance, strong management teams and it leads to better decision making. The case for gender diversity is stronger than ever – as the latest [McKinsey report](#) on the business case for diversity shows it can lead to 39% outperformance.

I don't think the current gap is acceptable. We need to show leadership to the rest of the organisation to send a strong signal down that Portsmouth Water is a place where everyone can thrive and it's a challenge I relish. I want to use my role to tackle these issues. I'm coming in to chair the remuneration committee and I'll be looking at developing the pay and reward strategy and policies, including family friendly policies. We have an ambitious business plan and we need to be able to tap into the full range of talent out there to deliver for the wide range of groups in our society and among our customers.

Positive change is underway



Rebekah Holbrook
Chief People Officer

Rebekah Holbrook joins the Executive Management Team

Rebekah Holbrook was appointed as Chief People Officer in June 2023, becoming the first female representative on the current executive team, bringing representation to 10%. The company has a way to go to improve senior female representation and Rebekah is playing a key role in bringing that about.

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It's a fantastic opportunity for me to lay the foundations and set us on the right course around equity, diversity and inclusion and focus on the priorities for Portsmouth Water. I feel privileged to be able to make a difference to female representation, I'm on the executive team and can influence decisions and I can make a big difference in a short space of time.

I have the support of the executive team, the Board and a clear 12-month plan of what we need to do. We'll ensure a pipeline of talent into the business, provide leadership training and we won't progress a senior role unless there's both male and female candidates to consider.

Positive change is underway

Elevating women in our workplace

Our Elevate working group is focused on raising awareness of key issues affecting women in the workplace, ranging from women's health, the gender pay gap and representation in the company. The group is feeding into company policy and internal communications and is making a real difference in how we support women in their training and career development.



Positive change is underway

Elevating women in our workplace



Clare Younger
Smart & CRM Transformation
Operational Lead

Clare has worked at Portsmouth Water for 17 years and has been supported by the company to gain NVQs, a degree and take part in conferences, weekend schools and progress to management. She's also co-leader of Portsmouth Water's women's network – Elevate. Through Elevate, she's helped bring about menopause training for the business and speakers to motivate women, support them to overcome fear of self-promotion and have the confidence to be their authentic selves.

“

The business is more conscious of gender balance now and the implications of it and most importantly there's buy-in to improve it. Elevate is about recognising that balance and providing space to come together.

For myself the next step is a mentor and specific training to move up to executive level and I'm also looking forward to seeing us engage more with STEM (Science, Technology, Engineering and Maths) in the community to change our make-up, invest in early education and get our name out there.

Positive change is underway

Elevating women in our workplace



Emma Camm
Water Quality Manager

Emma has worked at Portsmouth Water for nine years, starting as a technician in the laboratories and working her way up to her current senior management role. She co-chairs the company's Elevate network to support and celebrate women in the workplace. One of her priorities is promoting careers in STEM (Science, Technology, Engineering and Maths) in local schools and colleges.

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We're largely an engineering company but there aren't many females in engineering or science so it's important we support this in schools - you will always struggle to have a diverse recruitment pool if you only have a small number of females coming into science and engineering.

It's positive to see the changes the People team are bringing in, it's a massive step in the right direction and they are really focusing on making sure everyone is supported equally and has the space to do great things.

Positive change is underway

Updating our policies

We're also reviewing and updating all our company policies, working with our female colleagues to make sure we use more gender-neutral language and tone so they are fit for purpose for all our employees.



Positive change is underway

Updating our policies

FAMILY FRIENDLY POLICIES

In a survey of our people in 2023, top of the wish list was more family-friendly policies.

We're introducing new policies in 2024 which will not only bring us in line with other companies but put us ahead of them. The updated benefits will be available from the first day of employment for all employees and include:

- **Maternity and adoption leave** – six months full pay, plus five days paid leave for adoption appointments (this almost doubles the length of paid leave previously)
- **Paternity leave** – full pay for four weeks
- **Parental bereavement leave** – full pay for two weeks
- **Fertility treatment** – five days paid leave for treatment and two days paid leave for partners supporting those having fertility treatment
- **Antenatal appointment support** – two days paid leave for partners to support.

Employees on this leave will also receive their full bonus payments for the year.

MENOPAUSE POLICY

We've created a menopause policy and guide to educate, empower and provide resources to women experiencing menopause, as well as eliminate the stigma and misconceptions surrounding it.

The guide has been widely shared with all our employees and we're undertaking awareness training, with a focus on our senior leaders.

Our new policy includes:

- an additional five days paid leave for anyone experiencing perimenopause or menopause symptoms which may have otherwise been taken as sickness or holiday
- flexible work arrangements such as adjusted working hours, remote working or more frequent breaks to accommodate needs
- access to information and resources about menopause
- confidential discussions in a supportive and judgement-free environment.



Positive change is underway

Updating our policies



Carol Lucas
Compliance Manager

Carol has been at the forefront of protecting water quality in the water industry for 40 years, nine of those at Portsmouth Water. In this time, she's seen a shift in representation at water quality industry meetings from mainly male to a more even balance of men and women. Her team in Portsmouth Water's laboratories has a 50-50 gender split. She welcomes the new family-friendly policies which she hopes will support her team to fulfil their potential.

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I'd like to think women can see me as a positive role model, see it's achievable and I can lead by example.

We are in a process of change which can only be positive, I now work at home one day each week so I can pick my grandchildren up.

I experienced the menopause while here and didn't feel I could talk about it at the time. Now that's changed and I talk about it openly, it's a positive change.

Positive change is underway

Updating our policies

Fair recognition

Our first company value awards were held in 2023 and represented a balanced profile of our employees across all areas of our workforce. Employees were put forward through a nomination process, recognising their contribution and achievements to delivering on our values of Excellence, Integrity and Future Focus during the year, with some nominated for more than one value. More than a third of the nominations were for female colleagues and of the nine overall winners, five were women.



More positive change on the way

Independent pay benchmarking

We're engaging specialist consultants to carry out an independent pay benchmarking exercise. This will make sure our pay and benefits are competitive and inclusive.

People and Culture Club

We're launching a new People and Culture 'Club' in 2024 and have invited employees to join. The club will look at equity, diversity and inclusion in our workplace and our ways of working. We'll use the club members as a sounding board to test our company values and seek their input into future policies.



More positive change on the way

People and Culture Club



Rebekah Robertson
Senior Water Risk Assessor

Rebekah joined Portsmouth Water from university four years ago. She joined the Young Person's Board and progressed a proposal to enhance inclusion in the company. With the water industry looking to lose 30% of its experienced employees to retirement in the next 10 years, Rebekah feels this is a huge motivating factor for the company to become more attractive to young people who for the most part demand more around equity, diversity and inclusion.

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There's definitely been progress and you can see there's been a big change.

I'm glad we're creating the People and Culture Club group as it will bring in a wider audience and will help to follow through with our proposals.

The awareness training is beneficial and it's good it has started from the top down so we can encourage women into Portsmouth Water.

More positive change on the way

Developing early education and career opportunities

Encouraging girls, and boys, in the STEM (Science, Technology, Engineering and Mathematics) subjects early on is vital to create the workforce the water sector needs to deliver on its long-term commitments to continue supplying high-quality, reliable water.

Education and partnerships with local schools, colleges and universities, as well as recruiting apprentices has always been a priority for our company.

We're planning to build on this further:

RECRUITING MORE APPRENTICES

Working with local schools and Portsmouth University and improving the gender balance of apprentices. We'll use our apprenticeship levy to make sure we're bringing representative talent into our business to fulfil future STEM and leadership roles.

STEM INITIATIVES AND COMMUNITY PARTNERSHIPS

Working with local charities and community partners to extend our reach in schools to create opportunities for young people to have access to the wealth of careers available in the water sector. We'll produce a range of materials to showcase a day in the life of Portsmouth Water and the varied roles on offer and we'll specifically be looking to remove barriers for disadvantaged young people to take up STEM subjects and careers.

SHAPING PORTSMOUTH

We've signed up as a patron to this Portsmouth **business, education and community organisation** to support our engagement in education and careers. The organisation works with businesses like ours to support residents of all ages to explore their future, develop skills and connect into our diverse labour market. We'll be attending more careers fairs and events to embed our recruitment in the heart of our communities, support social mobility and the reduction in our gender pay gap.

More positive change on the way

People and Culture Club



Guy Dulake

Chief Information Officer (CIO) and
Equity, Diversity and Inclusion Sponsor

Guy is a member of Portsmouth Water's executive team and feels his ED&I sponsorship role is about making sure the company can bring about change, grow in its awareness and create a more diverse workplace. He has seen how teams perform better when there are both women and men in leadership roles, bringing different skills and dynamics. His IT team is balanced in male and female leadership and he wants to see more balance and diversity across the business. His motivation to sponsor ED&I stems from his children.

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How would you feel if your kids were different or in a minority? Would you feel comfortable about them coming into a workplace which didn't support them - it's always helpful to use your own kids as a measure. I am very encouraged by our desire as a company to be better, it is so authentic.

Next steps

We have ambitious plans to promote equity, diversity and inclusion at Portsmouth Water, make a real difference to our gender pay gap, promote fairness in our company and be viewed as an attractive employer for women.

We intend to repeat our employee survey on equity, diversity and inclusion in 2024 to measure our progress and make sure we are making a difference.

Our next gender pay gap report will be published in 2025 and we're looking forward to seeing a significant reduction in our gap and celebrating an increasingly diverse workforce.

