

westernpower.co.uk



Gender Pay Gap Report 2019

This report details our gender pay gap
results for April 2018 to April 2019

WESTERN POWER 
DISTRIBUTION

Serving the Midlands, South West and Wales



Introduction

Western Power Distribution is the Distribution Network Operator responsible for the delivery of electricity to 7.9 million homes and businesses across the Midlands, South Wales and the South West of England.

Western Power Distribution is delighted to present it's third gender pay report with information effective as at 05 April 2019.

We remain committed to an inclusive working environment and understand that our people are at the heart of our business success. We are committed to addressing gender representation in the workplace, and continually review our recruitment and retention policies to ensure we have a diverse workforce which reflects the customers and communities where we operate.



Delivery of electricity to **7.9 million** homes and businesses



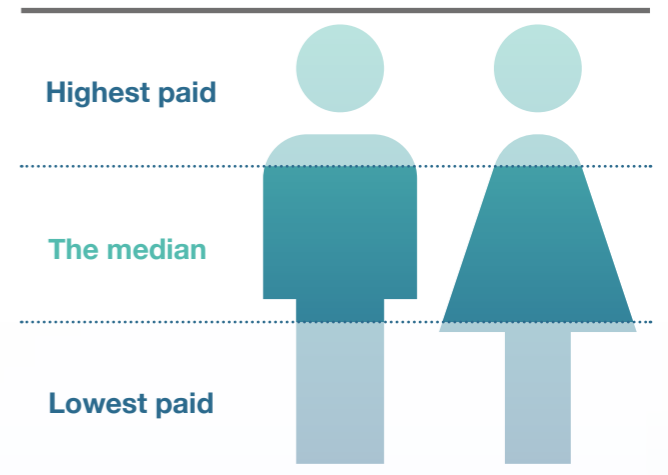
What is the gender pay gap and how is it calculated

The gender pay gap is a measure that shows the difference in the median earnings between men and women.

To calculate the median gender pay gap, the hourly pay rate of all male employees were arranged highest to lowest and the one in the middle was selected.

This was repeated for female employees. The hourly pay of these two employees were then compared. This is different from 'equal pay', which is the difference in pay between men and women who carry out the same or similar jobs.

The mean gender pay gap shows the difference in the average hourly pay rate between men and women in the company.





WPD Results

The vast majority of WPD's workforce (96%) is aligned to the distribution business area. This particular segment largely comprises male employees (87%) and is similar to overall UK labour market demographics for this industry.



Male employees: 5,520 Female employees: 1090
 Total employees: 6,610 (as at 5th April 2019)

Over the past 3 years our female workforce has increased by more than

12%

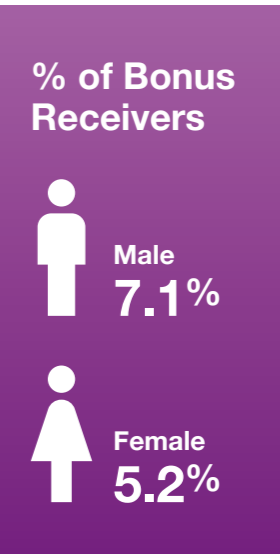
With the male workforce remaining relatively stable this is resulting in higher female representation across our business.



WPD's Gender Pay Statistics

Independent analysis has determined the primary factors that contribute to WPD's hourly pay gap are as follows:

- Currently, more men than women occupy more senior roles within the business.
- While more women are entering the workforce, these are typically in roles that attract a lower rate of pay relative to specialist electrical engineering roles.
- These field based engineering roles also attract specific job related pay premiums such as shift and standby allowances.
- Female employees typically have slightly shorter length of service relative to men. The first five years of service is a key feature in the mechanics of the Electricity Business Agreement pay structure; reflecting experience in post.



	Hourly Pay Gap	Bonus Pay Gap
Mean	8.7%	13.8%
Median	10.5%	0%



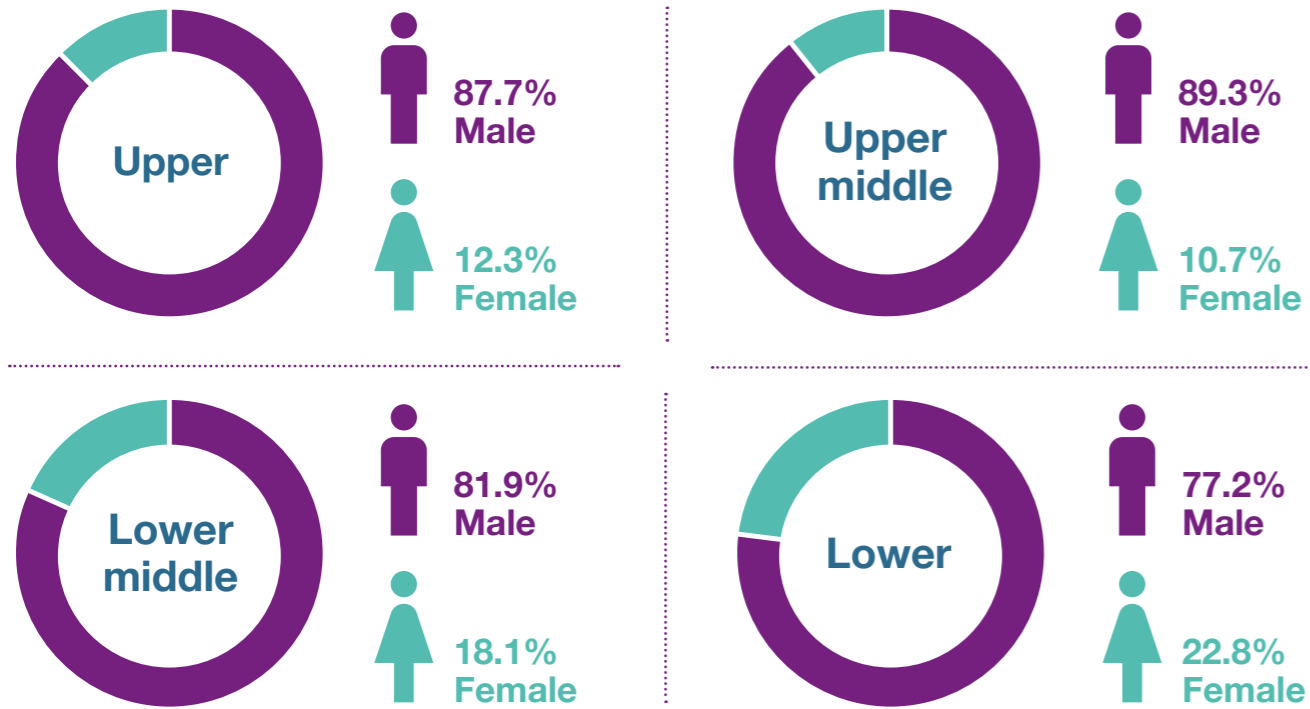


WPD Pay structure

The analysis of WPD's allowances were specifically linked to additional responsibilities and/or working patterns required to deliver a service 24/7, 365 days a year.

Shift and standby allowances were the most significant allowances, and will, to some extent impact the overall hourly pay gap within the business. WPD apply this allowance policy and opportunity fairly across the business irrespective of gender.

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



Electricity Business Agreement

WPD has policies in place to ensure all its employees are paid fairly. One such policy is the Electricity Business Agreement. This agreement covers more than 98% of all employees. Salaries are allocated one of nine different pay grades, depending upon the roles. Within each grade there are five incremental steps that employees can progress through, dependent upon satisfactory performance.



Industry Segment

WPD's median gender pay gap of



10.5%



In 2017 and 2018, WPD's median gender pay gap was ranked 4th, relative to its industry peer group

* Based on a consistent peer group of 14 organisations listed with SIC code 35130 - Distribution of Electricity.

WPD's gender pay gap relative to its industry segment



17.3%

the median UK gender pay gap for all employees in 2019.* This was 0.5 percentage points lower than 2018.



23.8%

the median gender pay gap for WPD's industry segment, 'Electricity, gas, steam and air conditioning supply'.*

* Office of National Statistics 2019 – provisional data



Company breakdown

Business Entity		WPD East Midlands	WPD West Midlands	WPD South West	WPD South Wales	Overall
Number of relevant employees in entity	No.	1,966	1,858	1,728	1,058	6,610
Proportion of male and female employees in business entity	M%	80%	86%	82%	88%	84%
	F%	20%	14%	18%	12%	16%
Mean hourly pay difference between male and female employees	%	9.4%	6.1%	11.4%	7.7%	8.7%
Median hourly pay difference between male and female employees	%	5.4%	5.9%	12.0%	12.1%	10.5%
Proportion of men/women in lower quartile pay band	M%	74.1%	77.6%	73.5%	81.2%	77.2%
	F%	25.9%	22.4%	26.5%	18.8%	22.8%
Proportion of men/women in lower middle quartile pay band	M%	82.2%	89.2%	76.3%	84.4%	81.9%
	F%	17.8%	10.8%	23.7%	15.6%	18.1%
Proportion of men/women in upper middle quartile pay band	M%	81.8%	90.9%	91.3%	95.0%	89.3%
	F%	18.2%	9.1%	8.7%	5.0%	10.7%
Proportion of men/women in upper quartile pay band	M%	86.1%	87.0%	89.7%	90.8%	87.7%
	F%	13.9%	13.0%	10.3%	9.2%	12.3%
Mean difference in bonus payment between male and female employees	%	18.6%	65.0%	9.7%	-2.9%	13.8%
Median difference in bonus payment between male and female employees	%	-3.7%	29.3%	-10.0%	25.5%	0.0%
Proportion of men/women receiving bonus pay	M%	4.2%	7.0%	10.4%	7.1%	7.1%
	F%	3.4%	6.4%	7.8%	2.3%	5.2%



2019 Progress

Our median gender pay gap increased marginally in 2019, returning to the same level as 2017 at 10.5%.

These numbers don't represent the real progress made in a number of areas, including:

Our female workforce has grown 12.4% since reporting began in 2017 while our male workforce has declined marginally at -1.4%.

While we are pleased to report the company is increasingly becoming more gender balanced, there is still a challenge to attract women into specialist electrical engineering roles within the company.

Our median bonus gap has continued to remain stable at 0%, while our mean bonus gap fell substantially from 59.6% to 13.8% year over year in part due to greater female representation in senior roles.

Our mean gender pay gap has remained stable year over year at 8.7% with a small improvement observed since 2017.



Case studies

Edith and Bhav from WPD share their engineering experiences here:

Case study 1

In 2013, Bhav Patel was one of just four women to enrol on WPD's planning and design training scheme. Six years on, she works in an office where almost half the planning roles are occupied by women.

Bhav, an 11kV Planner at Tipton, joined WPD in a temporary administrative role before securing a place on the planning course. She and the other three female trainees were among the first women to be trained at WPD's Taunton training school.

Bhav, who studied Economics and Russian at Sheffield University, said:

"The response from men has always been positive. I have never thought about how being a woman has affected my career, although customers don't always expect to deal with a woman."

"I would definitely encourage other young women to consider a similar career. Don't think of it as being something only a man can do. In our office, there is an almost 50/50 split between male and female planners which I think is something to be celebrated and makes a real difference to the opportunities available."

Case study 2

Team Manager Edith Kanyoka began her career as a helicopter engineer for the British Army, including a spell in Iraq. She still remembers being at work as rockets were thrown into the military compound.

Edith's experience of delivering an efficient response in challenging circumstances was excellent preparation for her role at WPD, where she and her team are responsible for the cables and ground-mounted equipment for Shrewsbury UG and Plant.

Edith, who joined WPD as a Technician at Northampton, said:

"There are still not enough women going into engineering. People's perceptions need to change. I still have occasions when the customer asks me 'Where's the engineer?' They need to realise that women are doing these jobs, too."

"As a STEM Ambassador in schools, I get a chance to talk about my own experiences and hopefully encourage girls they can be engineers and managers too."



Conclusion

Here at WPD we're living in exciting times. As an electricity distribution network we're at the forefront of meeting the requirements of Net Zero while keeping the power on for our customers. As we plan, forecast and work towards finding the answers the country needs we must develop new skillsets within the company.

Women have a vital role to play in the working landscape of the future and I am determined that WPD will be recognised as a good employer for women. Firstly because it is the right thing to do and secondly because, as a company, we face a number of challenges.

Already engineers are in short supply; but the new skillsets we must develop mean we will be in competition with industries such as finance and technology as well as other engineering firms to attract, retain and progress the best talent.

Studies around the world show that the best performing companies embrace diversity and work hard to ensure that everyone has a good experience at work. Being the best is something we always aim for at WPD, so this is important to us. Also, we know that societal changes mean that employees now have increased expectations around flexibility. Just as we change our skillsets to solve the engineering challenges we face, so we must change the way we work to keep pace with the factors that determine who an applicant decides to choose as a potential employer.

We confirm that the WPD Gender Pay Gap calculations are accurate and meet the requirements of the regulations. We have made a few changes during the period this report covers to ensure we continue to apply equal treatment to all of our employees – both existing and future.

- ✓ We reorganised our Employee Relations team to include a dedicated recruitment team ensuring consistency in our recruitment practices across all four licence areas
- ✓ We have introduced an applicant tracking system with anonymising functionality: this gives our recruitment team and recruiting managers better information about the variety of engineering, administrative and professional roles available across the organisation
- ✓ We are promoting engineering-based vacancies in a wide and diverse range of careers publications, as well as target specific social media platforms which appeal to women looking for an engineering career.

We continue to support nationally recognised organisations like 'WISE' and 'Women in Engineering' who champion women in science and engineering. We also continue to review our gender pay gap and diversity information.

I want WPD to be an organisation where women feel they have a voice and a future and we shall keep working to ensure we meet our own high standards.

Alison Sleightholm

Resources and External Affairs Director



We confirm that the WPD Gender Pay Gap calculations are accurate and meet the requirements of the regulations.



Alison Sleightholm
Resources and External Affairs Director

Western Power Distribution (East Midlands) plc, No2366923
Western Power Distribution (West Midlands) plc, No3600574
Western Power Distribution (South West) plc, No2366894
Western Power Distribution (South Wales) plc, No2366985

Registered in England and Wales
Registered Office: Avonbank, Feeder Road, Bristol BS2 0TB

www.westernpower.co.uk

  @wpduk

