

# Anglian Water Gender Pay Gap Report 2023



# Introduction



## Welcome to Anglian Water Services' 22/23 Gender Pay Gap Report

We are pleased to be able to report a year of positive changes. Firstly, we have seen a reduction in our gender pay gap, down by 3.0% in the median gender pay gap, and 2.4% from the mean pay gap. (Turn to page 7 for the difference between median and mean.)

Secondly, we were delighted to be named as a Times Top 50 Employer for Gender Equality 2023. This prestigious award reflects both our ongoing efforts to improve gender equality in our business and our commitment to be considered a best-in-class employer for women at every stage of their working lives.

We know more needs to be done to achieve genuine gender equality across our business. It is a long-term endeavour, and one that we have been working steadily on since the launch of our Inclusion Strategy in 2020.

We continue making progress, which is heartening. At a senior level, in 2024 we will be welcoming Dr Ros Rivaz as Chair of our Board, and our first-ever female Chair. We will also be joined by Siân Thomas as Director of Strategic Asset Management to our Management Board. Both bring a wealth of experience and knowledge to our business, and help us move towards equitable gender representation at a senior level.

In October we submitted our business plans to Ofwat for 2025 to 2030. We plan to deliver £9 billion of essential investment in the East of England and, with our alliance partners, to create over 7,000 jobs to meet the unique challenges facing our fast-growing and climate-stressed region.

While the creation of new jobs is fantastic news for our business and the region, we're also conscious that a third of our workforce is due to retire over the next decade. So we're planning ahead, seizing the unique opportunity to act now and create a diverse future workforce and achieve a strong representation of women in STEM roles, which are vital to our business.

Although this report focuses on our efforts to achieve parity on gender pay, our Inclusion Strategy is one which celebrates and includes people from all backgrounds and identities. Ultimately, it is our business and region at large that will benefit from a diverse workforce, and one which helps us to deliver on our purpose to bring environmental and social prosperity to the region we serve.

**Peter Simpson** | Chief Executive Officer

**Emily Timmins** | Director of Water Recycling

# Foreword

This year has been one of progress and, satisfyingly, shows how far we've come since we launched our Inclusion Strategy in 2020.

Being named a Times Top 50 Employer for Gender Equality has been one of our highlights for the year, and gives us confidence that we're heading in the right direction.

We are also delighted to have received recognition for our work on increasing inclusion throughout the business. **Our Strength in Diversity project was named Diversity and Inclusion Initiative of the Year at the Water Industry Awards 2023, and we won the Institute of Water award for Commitment to Inclusion and Diversity 2023.**

While it shows we are making the right changes it certainly doesn't mean we've got to where we need to be – so we're far from complacent.

As our work on promoting Inclusion across the company grows so does our Inclusion community. This year we created three employee support groups: the Pride Family for LGBTQIA+, the Ability Network for Disability, and a race and ethnicity group.

We've continued our programme of regular Inclusion community and speaker events, with female speakers this year including disability advocate Victoria Jenkins, Hilary Tuohy from Age UK, Ash Ahmad from Changing Mindsets and Executive Coach Dawn Morton-Young.

Happily, this year for the first time since 2019, we held in-person events for National



Inclusion Week 2023, with a series of virtual speakers and interactive events. Lila Thompson, CEO of British Water, gave a virtual presentation on Gender and Race, which was part of a day of virtual events arranged with other water companies. Across the virtual and live events, we engaged with around 500 colleagues.



Every day I come into contact with people across Anglian Water who are passionate about building Inclusion, and are keen to share ideas and insights with me. As a business we are on a journey, and while we continue to make small steps day to day, the overall momentum we're gaining is exciting. As we look forward to the coming Asset Management Period (AMP) it gives me hope for the future of our company, that we will achieve a diverse and inclusive workforce that reflects the region we serve.



**Victoria Bannerman** | Inclusion Lead

# Who we are

Anglian Water is the largest water and water recycling company in England and Wales by geographic area. From the Broads of Norfolk to the hills of the Lincolnshire Wolds, fast-growing cities to the dramatic Suffolk coastlines, the landscape of our region is very varied. We supply water and water recycling services to almost 7 million people in the East of England and Hartlepool.



We recognise we need to improve our gender balance across our entire workforce and have a long-term strategy in place to achieve this.

There **14** counties in our region, all with differing environmental, social and economic needs.



We are home to 15% of England's population and four of the fastest-growing cities: **Cambridge, Peterborough, Milton Keynes, and Northampton**. By 2043, 700,000 more people will live in our region.



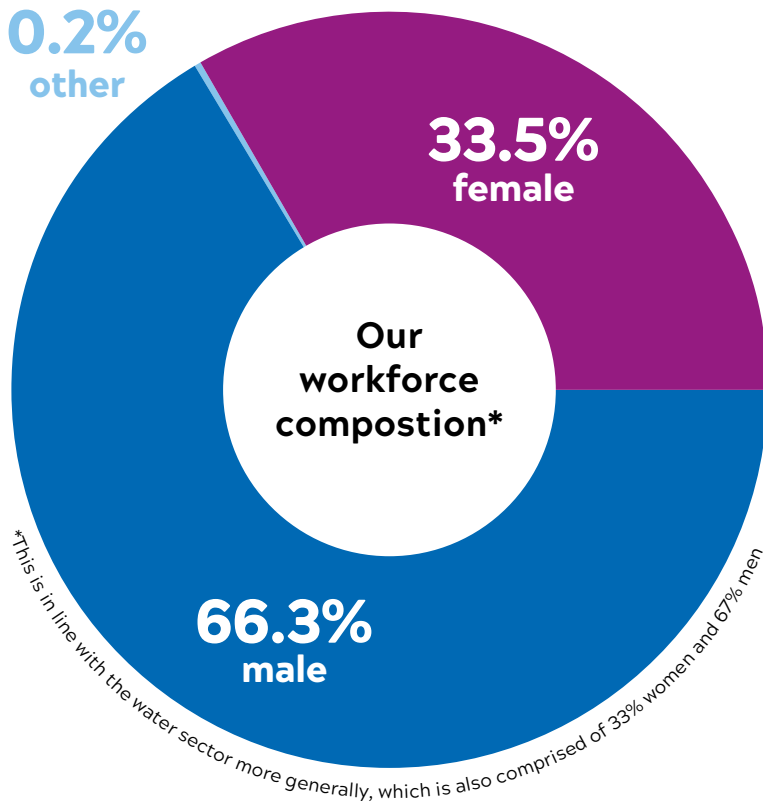
Our workforce has traditionally been only men, the majority of whom spend their entire working lives with us (and we are very grateful to them for their service).



A third of our workforce is due to retire in the next decade and we are seizing the unique opportunity to act now to create an inclusive future workforce.

**Our vision is to build an inclusive workforce where all our employees feel valued and welcomed during their time working with us, and one that is representative of the community we serve. It is important to note that our view is long term as we shift the culture of our business, which operates in a traditionally male-dominated industry.**

# Our Gender Pay Gap at a glance



Mean gender pay gap

**6.5%**

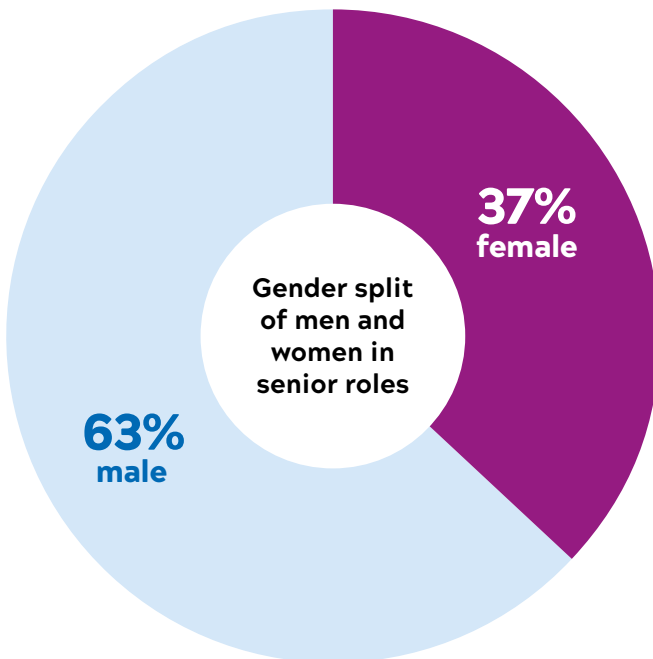
(Down 3% since 2022)

Mean gender bonus gap

**13.5%**

(Down 14.2% from 27.7% in 2022)

**12.8%** (adjusted to remove impact of part-time working)



Median gender pay gap

**14.0%**

(Down 3% since 2022)

Median gender bonus gap

**14.8%**

(Down 3.9% from 18.7% in 2022\*)

**9.6%** (adjusted to remove impact of part-time working)

New hires

**40% female**

**60% male**

Senior hires

**38% female**

**62% male**

# Recognition for our Inclusion efforts this year



**Institute of Water**  
Commitment to Inclusion and Diversity 2023

**21%** of new starters in **STEM** roles were women (up 8% from 2022)

In our Love to Listen 2023 survey:

**87%**

of women believe that Anglian Water is an inclusive company to work for, regardless of gender, age, race, disability, religion and sexuality

**82%**

of women said they are proud to work at Anglian Water

**88%**

of women agree they are treated with dignity and respect at work

**81%**

of women would recommend us as a great place to work

We have achieved the **ISO 45003 Psychological Health and Safety at Work**, the first global standard giving practical guidance on managing psychological health and wellbeing in the workplace.

Our Gender Pay Gap Report highlights areas where we can do better. The gender pay gap is the average difference between the pay of men and women working for an organisation. It is not the same as equal pay, where legally if men and women are performing equivalent work, they must be paid the same, or if they are not, we must be able to legally justify why there is a difference. We are confident that we comply with our legal obligations in relation to equal pay.

Not only does the law require any company with more than 250 employees to publish its gender pay gap, we think it's the right thing to do and aim for full transparency of our pay data. It's why we have begun reporting our Ethnicity Pay Gap, the first of which was released in 2022/23.

**The data in this report covers 6 April 2022 to 5 April 2023.**

# What is our gender pay gap for 2023?

This year, our gender pay gap as of 5 April 2023 has decreased by 3.0% in the median gender pay gap, and 2.4% from the mean pay gap

Although there has been improvement to our gender pay and bonus gaps in the last year, as we've previously highlighted, significant change will only be possible once there is a substantial shift in gender balance at all levels of the business. We have a multi-stage, long-term plan to shift the balance towards greater inclusion. To read more, see page 16.

## Mean gender pay gap

**6.5%** (3% down from 9.5% in 2022)

## Median gender pay gap

**14.0%** (down 3% from 16.4% in 2022)

### What's the difference between the mean and the median figures?

When assessing a company's gender pay gap the median figure is cited as the overall result rather than the mean. The mean is calculated by adding up all of the pay elements of employees in a company and dividing that figure by the number of employees.

This means the final figure can be skewed by a small number of highly paid individuals.

The median is the number that falls in the middle of a range when everyone's pay is lined up from smallest to largest and is more representative when there is a lot of variation in pay. This is especially true with Anglian Water, as we have more than 5,000 employees across our region.



# Why do we have a gender pay gap?

There are a number of factors which result in our gender pay gap, all of which we are addressing through our Inclusion Strategy:

## Operational workers are eligible for additional pay – and these roles continue to be held by mostly men

Operational-based roles have traditionally been held by men, although through our efforts this is changing. Currently 82% of operational roles are held by men compared to 18% held by women. Operational roles are eligible for additional pay in form of allowances and standby rates, while most office-based roles are not. Office-based roles are more evenly split in gender, with 49% of office-based roles held by women and 51% held by men.

A review of allowances is currently being undertaken and will include a reference to gender pay, checking if there's any link to gender-bias. If so, any corrective measures required will be implemented.

However, if we compare the average hourly rate for employees in non-operational and operational roles, they're virtually identical, which is making a contribution to closing the gap.



## There are a higher proportion of men in senior roles than women

This is due to legacy, with our industry traditionally attracting more men in operational and engineering roles. However, this year we've seen an increase in the proportion of women in higher paid roles at all levels, particularly at Management Board where we have Emily Timmins, our Director of Water Recycling, included in this year's report. We'll see further impact of this in next year's report, alongside the inclusion of Siân Thomas as noted on page 13.

Gender split of men and women in senior roles

**37%**  
female

**63%**  
male





### Low attrition affects opportunities for significant change in the short term

Attrition in the business overall is reasonably low, and many men spend their entire working lives with us: 76% of people with over 30 years' service are men. This impacts our opportunity to be able to close the gap through recruitment. However, we are taking every opportunity when people leave the business to make sure all roles are attractive to all genders as part of the recruitment process through our Inclusion Strategy.

Where roles with high-volume attrition exist in the business, these tend to employ a high proportion of women and are typically lower skilled roles with lower allowances, such as those in our Contact Centres. Meaning that there's still a high proportion of male employees who are more skilled and in receipt of allowances. However, it's important to understand that this isn't an equal pay issue, and we comply fully with our legal obligations in relation to equal pay.

#### New hires

**40%**  
female

**60%**  
male

#### Senior hires

**38%**  
female

**62%**  
male

“ I really value the people and the culture, not to mention the flexibility given to parents

(Feedback from our Love to Listen employee survey)

”



# Pay across the organisation

We have divided our workforce into four pay quartiles: the lower, lower middle, upper middle and upper quartile pay bands. The table below shows the proportion of men and women as a percentage of full pay employees within each quartile.

Quartile	% Women	% Men
Lower	52.1	47.9
Middle	24.9	75.1
Upper middle	18.9	81.1
Upper	32.8	67.2

When comparing the pay quartile distribution of our workforce to the data already submitted to the Government in this reporting year (2022/23), we can see we have an overall average of just under 26% female representation in the two higher quartiles, against a benchmark of 48%.

This reflects our composition where we have a higher number of men in more senior and engineering/technical operational roles. This year we have seen a slight rise in women across upper, middle and upper quartiles.



## Gender split across role framework

Percentage of overall employees by stream level	2%	Principal Specialist 41% female : 59% male	Strategic Leader 32% female : 68% male
	7%	Specialist 40% female : 60% male	Leader 31% female : 69% male
	19%	Subject Matter Expert 39% female : 61% male	Team Leader 29% female : 71% male
	72%	Team Contributor 32% female : 68% male	

# Bonuses

This year there has been a sizeable decrease in the bonus gender gap between our male and female employees, which we are pleased to report.

Bonus calculations are directly linked to salary, so the impact of a higher proportion of women working in lower pay quartiles as noted above has an impact on the bonus amount paid. Bonus calculations are also based on individual personal performance.



## Mean gender bonus gap

**13.5%** (Down 14.2% from 27.7% in 2022)

**12.8%** (adjusted to remove impact of part-time working)

## Median gender bonus gap

**14.8%** (Down 3.9% from 18.7% in 2022\*)

**9.6%** (adjusted to remove impact of part-time working)

## Employees receiving bonuses

**96.4%** female

**97.9%** male

“ One of the best things about working here is the inclusivity and flexibility. I admire and appreciate how Anglian Water puts together these two practices which allow people to feel valued and have a balanced life at work and home. ”

(Feedback from our Love to Listen employee survey)

## Factors impacting our bonus results this year:

- Women continue to outperform men proportionately at Strong and Top Performance bonus levels (our two highest bonus tiers), which influences the reduction in the bonus gap, as higher bonus payments are being made to these females.
- We've also seen a significant reduction in the gender difference between the average bonus payment paid at senior management level. The proportion of senior females with increased bonus potential has increased since the last report which has resulted in helping to close the bonus gap.
- There's been an increase in the proportion of females receiving other recognition, while the difference between the average award for females and males has been reduced.
- We've seen an increase in the percentage of employees who have received a bonus. This is due to wide-reaching recognition initiatives and an increase in those who are eligible for annual bonuses.
- Reasons workers may not receive a bonus include: joining the business too late in the year to be eligible, working in a small number of roles where bonus eligibility is based on salary progression level, or, in rare instances, underperformance.

## Part-time working continues to affect bonus results

Current Government regulations do not allow us to make calculations on a pro-rata basis to take into consideration part-time working. **Currently, 7% of our workforce now works part-time, and of those 6% are women compared with 1% of men.** We would like to see this reflected in future reporting guidelines.

If the bonuses were calculated as a full-time equivalent, this would reveal a significant difference: the mean gender bonus gap decreases to 12.8%, and the median decreases to 9.6%. Another key reason for the disparity is that more women than men continue to exceed their annual performance targets.



# What are we doing to close the gap?

We want to see an increase in the diversity of our employees at Anglian Water and are working to shift the gender makeup of our business to attract and retain women in a wide variety of roles. We have a multi-stage, long-term plan to ‘move the needle’ towards greater inclusion.

## Our Inclusion Strategy

### 1. Developing awareness and education

– raising awareness of key topics, recognising and celebrating diversity and educating our people.

### 2. Build and grow our Inclusion community

– together we will continue to grow the community as a safe place to share, engage and be allies, fully supported by our Management Board.

### 3. Deliver specific interventions to move our organisation forward

– together we will embed Inclusion within our policies and practices, and we will create interventions to remove barriers.

Our Gender Equality Strategy builds on point three of the Inclusion Strategy, and we have put in place specific interventions to move our organisation forward, including:

#### • Setting targets to measure our progress

We have short (annual) and mid-term (to 2025) targets to improve gender equity across the business. These targets are signed off at Management Board level.

Our 2023 target is for 36% of new hires to be women, and for 36% of senior manager positions to be held by women. By end-2025, both targets will raise to 38%.

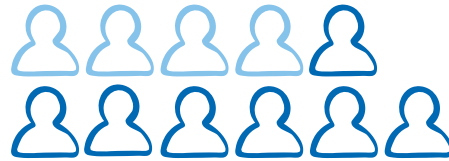
#### • Engaging the support of senior leadership

We have appointed Management Board members to lead our Inclusion Strategy. Since 2021, these board members have been held accountable for the delivery of the gender inclusion programme up to 2025. We regularly report progress against our targets to the Management Board.

#### • Making changes to our business to attract and retain women

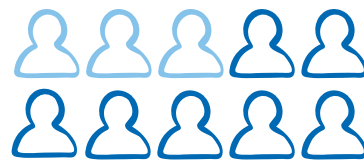
This includes changes to our recruitment processes, putting supporting policies in place for women, ensuring access to career development opportunities and attracting women into STEM roles at apprentice and graduate levels. To read more, see page 17.

## Board of Directors



4 out of 11 are women (36%)

## Management Board



3 out of 10 are women (30%)

#### • Senior leadership at Anglian Water

We have several key senior women on both our Anglian Water Board of Directors and Management Board. This year we will welcome Dr Ros Rivaz as Chair of our Board, and our first-ever female Chair. We will also be joined by Siân Thomas as Director of Strategic Asset Management to our Management Board. Due to Siân’s start date she is not included in this year’s report, however we look forward to including her in our 23/24 report.

# Work undertaken in 2022/23 to improve gender equality

## Recruitment

We are actively working to recruit a more diverse workforce from across our region as part of our overall Inclusion Strategy. We always recruit for quality so do not positively discriminate, however actively promote inclusive hiring, and we know we need to attract from a wider talent pool. Below are some of the steps we have taken.

### Addressing barriers to attracting women to work with us

- We use a language decoder to ensure job adverts don't specifically appeal to any gender and action any system recommendations – for some typically male-dominated roles we purposely use feminine coded language.
- We specify in job ads if the role is full-time or part-time – or if a role could be modified to part-time.
- Our careers site shows candidates our key policies, such as our flexible working policy, maternity policy, shared parental leave policy and transgender and transition policy.
- We've increased the number and variety of job boards that we advertise on to appeal to candidates from a broader range of demographics and ensure that imagery includes people from a variety of backgrounds.
- We've attended specific careers events throughout the year aimed at certain demographics: including part-time workers, those returning back into the work place, and candidates with health conditions or disabilities.

### Changing our processes to improve the recruitment journey for women

- We offer the flexibility of virtual interviews at early stages, with around 75-80% of job interviews now taking place online.
- We've started a pilot to share interview questions in advance with candidates to help ease any anxiety or stresses, plus ask candidates if they would like any adjustments made as part of the interview process – alongside providing examples of support options available.
- We use web accessibility and translation software (Recite Me) to ensure our careers site is accessible, allowing candidates to customise functionality.
- We already recommend hiring managers undertake unconscious bias training as part of our Recruitment and Interviewing Skills training course, which advocates diverse interview panels where possible. From September 2023, we've launched a new Hiring Manager Recruitment and Interview eLearning refresher module to promote inclusive hiring.
- This year we have worked with our colleagues in Water Services on a pilot of a diverse recruitment panel in recent interviews which were gender focused, which resulted in a female Supply Support Manager appointment.
- We monitor the gender and ethnicity split at application and offer stage as well as at various assessment gateways to check we are attracting from as wide a talent pool as possible and this is continued through to offer stage.



In the reporting period

**21%**

of new starters in STEM roles were women

**75-80%**

of our job interviews are online

“

I've been at Anglian Water for over 23 years and find it an efficient, friendly, flexible, and supportive place to work. I've had many training and development opportunities including; an Institute of Leadership and Management (ILM5) qualification; Project and Programme Management training; front line manager courses and training on bespoke modelling software packages.

Whilst there are more men in senior roles on the operational side of our business, we do value diversity – our people are key to everything and are at the heart of our business. So I'd encourage young women to consider the water industry, in my experience there are a range of opportunities available and we need more women to help redress the gender balance!

**Fiona Hallam** | Water Efficiency Programme Manager

“

My role is dynamic, challenging and supportive. Working in an operational business stream means there's always something going on and always somewhere you can add value. Regardless of gender, if you have the passion to make a difference and the right skills and behaviours for a role then go for it – you'll be warmly welcomed.

**Penny Chambers** | Optimisation Delivery Manager



## AMP8 Plans

In October we submitted our business plans to Ofwat for 2025 to 2030. **We plan to deliver £9 billion of essential investment in the East of England and create over 7,000 jobs** in order to meet the unique challenges facing our fast-growing and climate-stressed region.

We cannot deliver our ambitious plans without a great team of people. To ensure we have a sustainable workforce across our organisation, and our alliances will support us in delivering our ambitions, we are developing a strategic workforce plan.



**Over the next AMP we will support over 800 apprentices, many of them into green jobs.** We've also set up a Construction Training School, which recruits candidates based on behaviours rather than technical ability. This opens us up to a wider range of candidates, and attracting women to these roles women will form part of the recruitment strategy.

**Plans are also proceeding for a £4 million 'net zero training centre' at the College of West Anglia in Wisbech.** Anglian Water Services and all its alliance partners are contributing £2 million, the full range of corporate sponsorship to get this off the ground and deliver a range of



outputs relating to modern green skills. This long-term planning for future workforce resource, in collaboration with our alliance partners, not only creates a sustainable pipeline of talent but also aligns with our purpose to deliver social prosperity across our region.

Our Education Outreach team are critical to the success of these endeavours. **This year they engaged with more than 32,000 primary and secondary students across our region,** acting as a positive influence for young people to engage with STEM subjects alongside supporting with employability skills and routes into work.





## Early careers

The most effective way to encourage women into STEM careers is through early engagement, and so, we have a robust programme to encourage new starters into careers at Anglian Water.

We are working hard to recruit and develop our future leaders: the engineers, technicians, data analysts and scientists that our industry needs.

We do this by showcasing Anglian Water through careers fairs, insight events and media. Our attraction and selection strategy encompasses a future-focused selection process which moves away from candidates' past experiences and focuses on their future potential. We feel that this supports social mobility and a diverse candidate pool.

## Apprenticeships

### Apprentice hires by year

Year	Total hires	Male	Female	Prefer not to say
2021/22	52	48	2	-
2022/23	75	66	14	-

This year saw an improvement in the overall number of women hired as an apprentice, up 14% compared to 2021/22.

**This year we were delighted to be voted by our apprentices into the 2022/23 top spot in the 'Energy and Utilities' and 'Environmental and Ethical' categories of Job Crowd's 'Best Company for Apprentices to work in' list.**

We also came fifth in The Job Crowd for apprenticeships in the UK overall and were the only water company named in the top five.

## Graduates

### Graduate hires by year

Year	Total hires	Male	Female	Prefer not to say
2021/22	7	2	5	-
2022/23	7	3	3	-

Our graduate programmes provide early careers and career change opportunities to graduates. This enables us to provide a talent pipeline and bring in new ideas from young minds into an established workplace.

Our graduate programme has seen us gain recognition from The Jobs Crowd, which is similar to Trip Advisor for jobs and reviewed by graduates. **We ranked across all industries as number one for 'Career Progression' in 2023.**





**I have had a very positive experience overall in my time at Anglian Water so far and feel I am judged by my merit, not my gender.**

I chose to work at Anglian Water because I felt my values really aligned with the company values. Anglian Water enjoys a strong reputation for employee satisfaction, and importantly, they are dedicated to advancing environmental and social prosperity. I am driven to engage in meaningful work that has a positive impact on the world, which Anglian Water achieves by providing an essential service to millions of people.

The two year rotational graduate scheme provides a structured path towards leadership and offers exposure to various parts of the business. It provides numerous opportunities to develop, with external coaching, training courses, opportunities through the Institute of Water and the chance to contribute on an international level, such as the incredibly impactful Beacon Project (via WaterAid).

I work in front-line operations, an environment that is highly dynamic and reactive, involving a mix of office and fieldwork.

Problem solving and building strong relationships with people across different parts of the business are integral to working in operations – knowing who to approach for specific tasks and building trust is key to working in front line operations.

As the number of women in operations is still quite low, I think it is normal to feel slightly out of place in a male dominated workspace especially if you have never done it before. However, I've now reached a point where I don't even think about it!

I am now over half way into the graduate scheme and have gradually taken on more managerial responsibilities, which will increase as the scheme progresses into the second year. My time at Anglian Water has been really positive so far, and I have genuinely enjoyed my time in operations thanks to the incredibly hard-working people that keep the business running 24/7. Importantly, I feel judged by merit, not my gender.

**Divya Sharma**  
Graduate Leadership Trainee

# About the gender pay gap

Any company with more than 250 employees is required to report its gender pay gap in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 (the Regulations). This statement has been produced with reference to the Regulations and the associated guidance issued by ACAS and the Government Equalities Office, entitled Managing Gender Pay Reporting.

The Regulations require all organisations to make calculations based on employee gender on an annual basis. We will complete our annual calculations by using our existing HR and payroll records. All employees can confirm and update their records online or by contacting the HR Team.

We are required to carry out calculations that show the difference between the average earnings (as defined by the Regulations) of men and women in our organisation. This does not involve publishing individual employees' data.

## The results can be used to assess:

- the levels of gender equality in our workplace
- the balance of male and female employees at different levels
- how effectively talent is being maximised and rewarded.

## In determining remuneration for employees, we must balance:

- the economic environment within which we operate.
- recruitment and retention pressures
- market forces
- performance both in relation to individuals and the overall business
- geographical issues, which can also influence remuneration.

There are many objective reasons for pay differentials such as seniority, experience, location and, in a small number of cases, personal pay protection. The important point in any pay system is that it is fairly and equally applied considering these different factors.

We will keep the position under review in order to eliminate these gaps over time. We act to address individual pay gaps and regularly review our policies, procedures and practices to ensure they are fair and reasonable.

## Declaration

You can learn more about Gender Pay Reporting by visiting [www.acas.org.uk/genderpay](http://www.acas.org.uk/genderpay)

**I confirm that this statement is true to the best of my knowledge and belief.**

Signed:  \_\_\_\_\_

**Susannah Clements** | Group Director of People



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