

June 2020

Ofwat's gender pay gap report 2018-19

Gender pay gap reporting

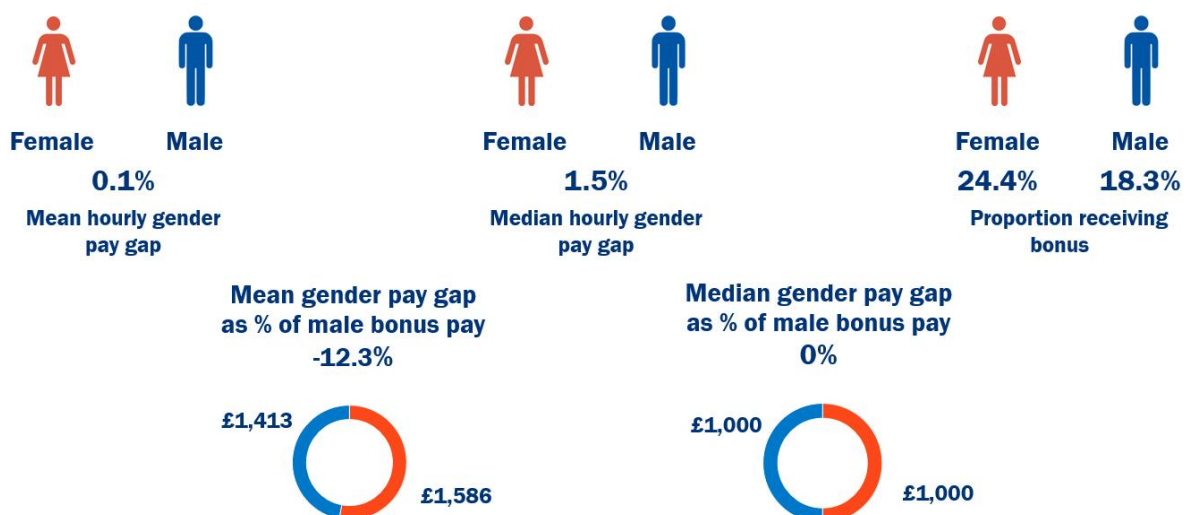
Gender Pay Gap legislation (developed by the Government Equalities Office) was introduced in April 2017 and requires all organisations with 250 or more employees to publish their overall mean and median gender pay gaps.

Last year (2017/18) Ofwat was below the 'less than 250 employees' cut-off so was not obliged to report but we voluntarily chose to publish our gender pay gap information. This reporting year (2018/19), our headcount was above 250 but the number of eligible employees to be included in gender pay gap reporting was again below the 250 cut-off. So we are not obliged to report but have voluntarily decided to do so again.

Gender pay gap reporting is defined as "...the difference between the average earnings of men and women over a period of time, irrespective of their role or seniority."

Ofwat has a small gender pay gap and compares well relative to other civil service organisations. This is our second gender pay gap report, and the good news is that we've seen the gap in Ofwat decrease year on year. We've been proactive in addressing pay anomalies and are pleased to see this reflected in the figures.

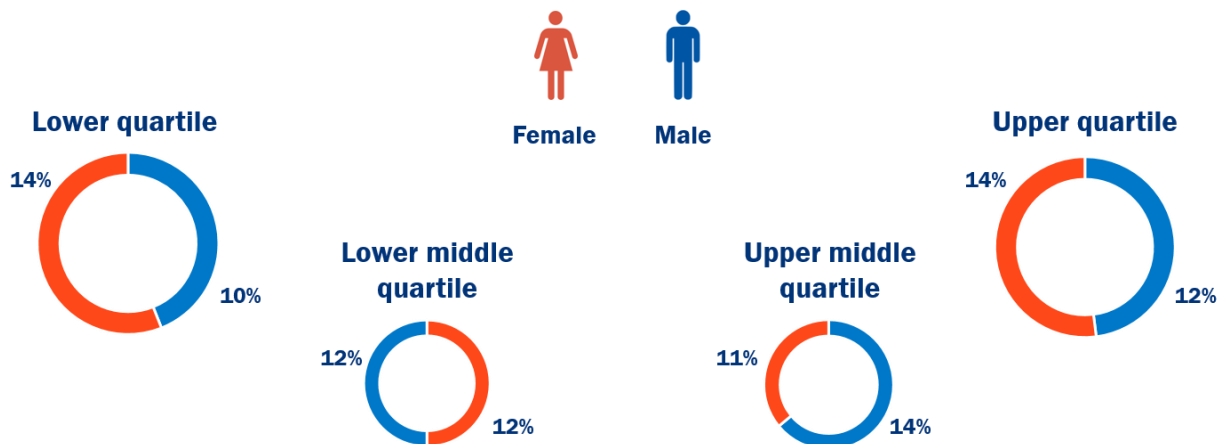
Ofwat's figures for 2018-19



Mean is the average value, calculated by dividing the total of all the values by the number of results. Median is the mid-point/middle value, when all values are placed in ascending or descending order. (The sample size was 122 females and 119 males).

- 0.1% difference (in favour of males) between our average female and average male hourly pay rates.
- 1.5% difference (in favour of males) between the mid-points/middle values of the 2 groups.
- In terms of bonus payments, the average demonstrates a negative GPG (i.e. females received on average a higher bonus payment), whilst the median payments were the same for males and females. This indicates that a small minority of people received a higher bonus, slightly more of those being female than male.
- Generally, more females within the workforce than males received a bonus.

Pay by quartile

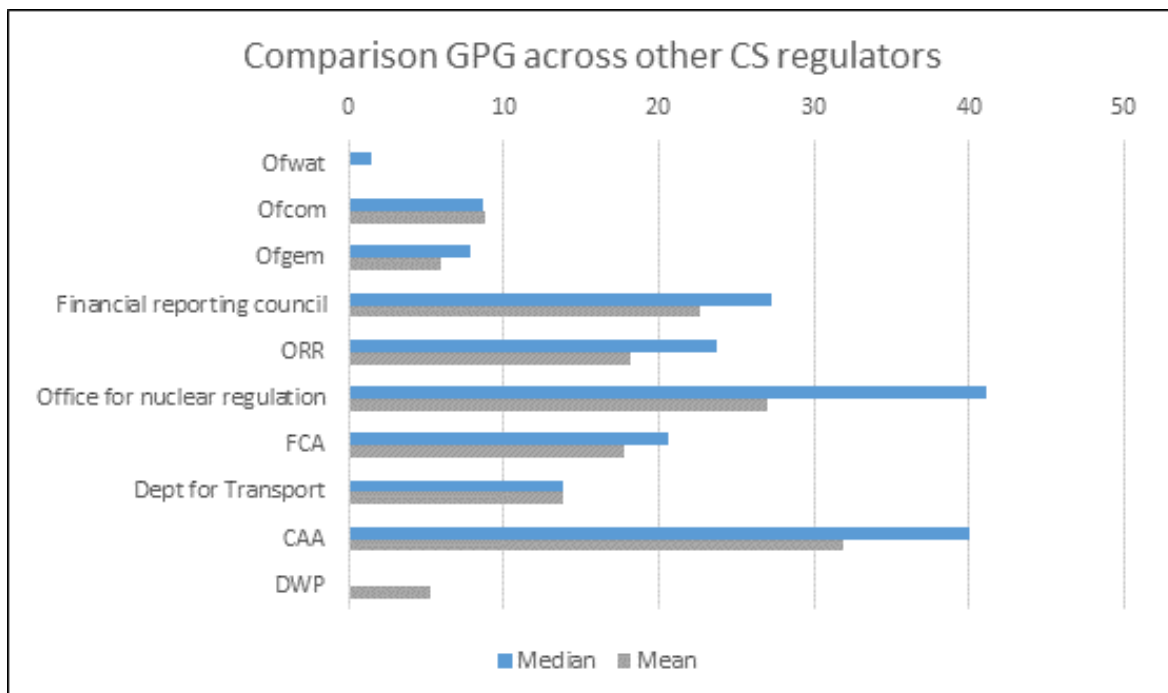


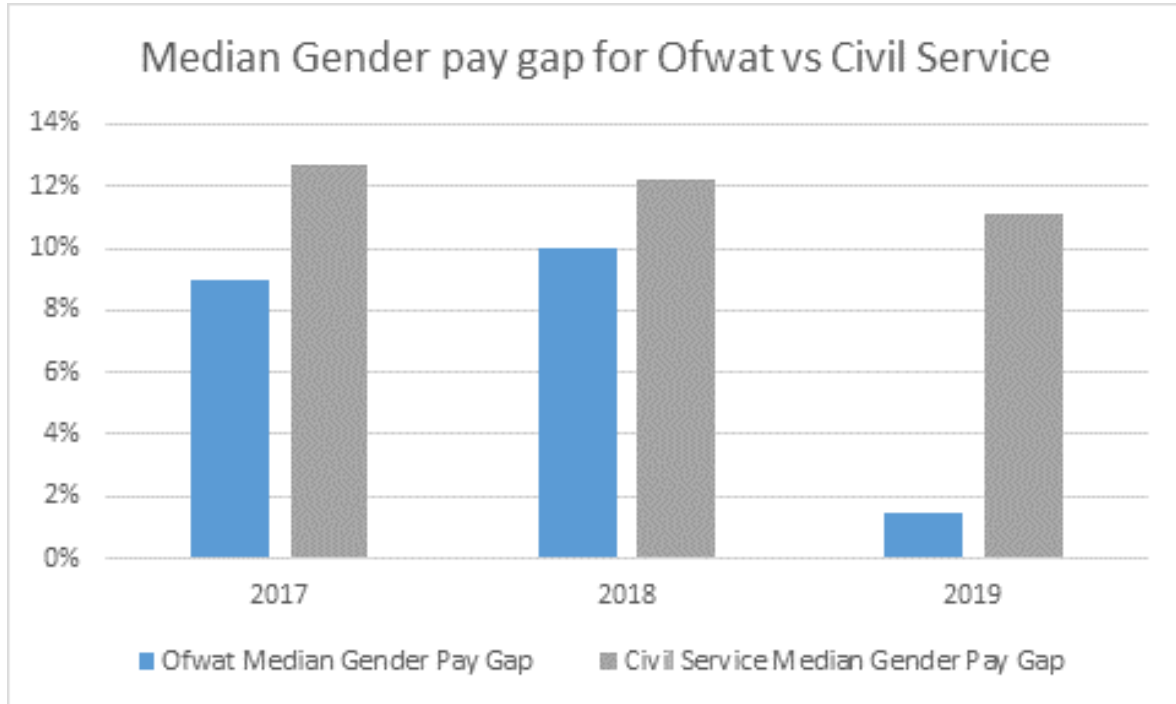
Quartiles are achieved by identifying the median value (the mid-point value where all values are listed in ascending/descending order) and then identifying the mid-point values between the lowest and median values (these become the lower and lower middle quartiles) and the highest and median values (these become the upper and upper middle quartiles).

- There are more females than males at both ends of the pay quartile spectrum (33 females vs 27 males in the lower quartile and 33 females vs 28 males in the upper).
- There is an even split of males and females in the lower middle quartile and more males than females in the upper middle quartile (24 females vs 34 males).

How this compares

As per the chart below, it's encouraging to see that our figures are very low in comparison to other Civil Service and UKRN organisations – as with last year, we still currently have the lowest mean hourly GPG (DWP is the second lowest, with a mean of 5.2%) and the second lowest median hourly GPG results (DWP have a median pay gap of 0%).





So what's next?

We are really proud of our figures and we will continue to work on improving on these results. Gender parity is one part of a focus for us across a broader range of Equality Diversity and Inclusion measures – through our theme of 'Being ourselves' in our new People Strategy:



Whilst we are making good progress in this area, we are looking to prioritise other areas in terms of the diversity and inclusiveness of Ofwat through our EDI strategy work including ethnicity and other protected characteristics.

This is just one of the ways that we will fulfil our ambition to be not just a great place to work, but a great place to be.

Ofwat (The Water Services Regulation Authority)
is a non-ministerial government department.
We regulate the water sector in England and Wales.

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