

Gender Pay Gap Report

Snapshot date 31 March 2024



Naturally different.



business stream
A SCOTTISH WATER COMPANY



Introduction

Business Stream is fully committed to providing equal opportunities for everyone to learn, develop and progress, regardless of their gender, ethnicity or age. We are passionate about providing a working environment that encourages equality, diversity and inclusion at all levels of our organisation.

Statement

I confirm that the details included in this report are an accurate reflection of our gender pay position as at 31 March 2024.



Gail Cockburn
People Director



Why are we reporting these numbers in this way?

From 2017, organisations who employ 250 people or more are required to publish statistics on their gender pay gap annually.

Understanding the gap

There are six metrics that must be published. The figures are calculated using a 'snapshot date' which in our case is 31 March 2024.

What is the difference between mean and median?

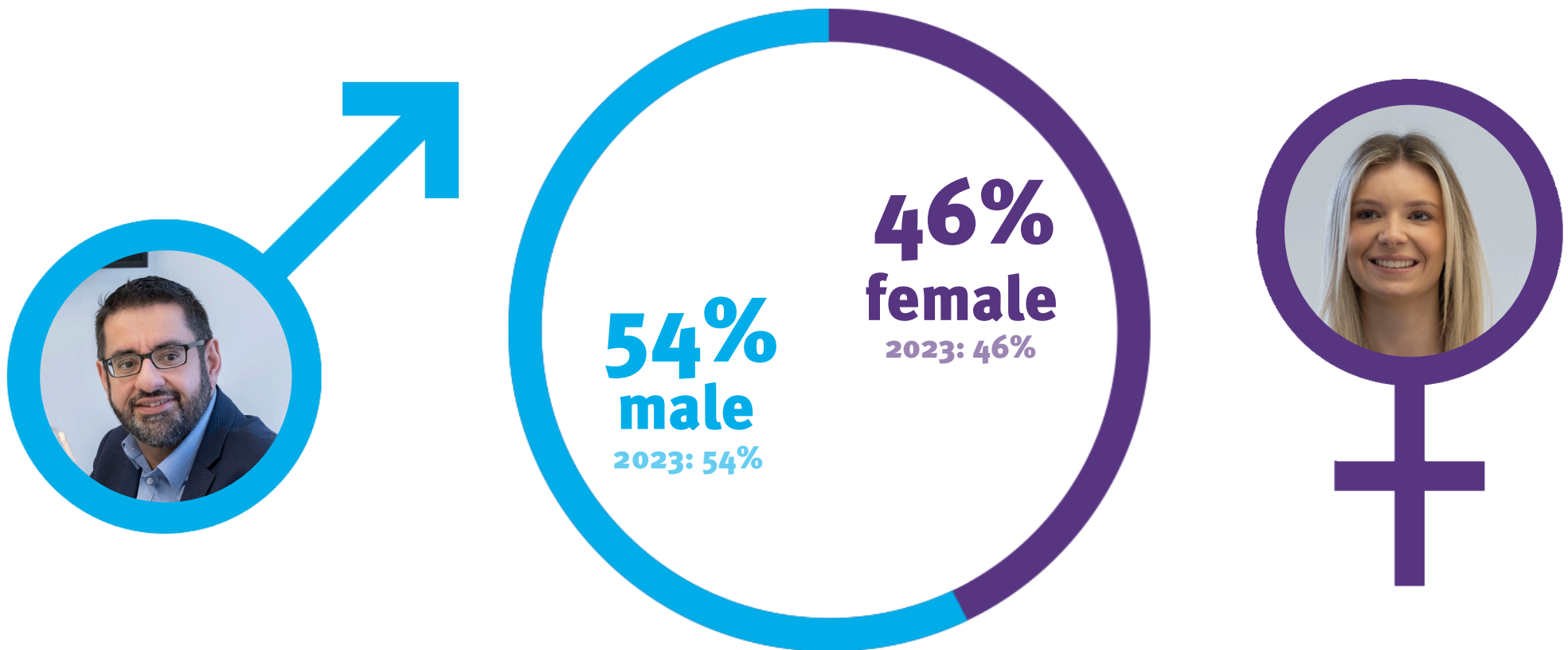
The **mean** gender pay gap is the difference in the average hourly pay between men and women employed by Business Stream.

The **median** gender pay gap compares the hourly pay of the median man and the median woman. The median for each is the man or woman who is in the middle of a list of hourly pay, ordered from lowest to highest paid.



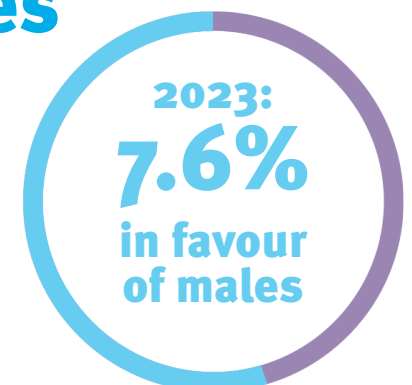
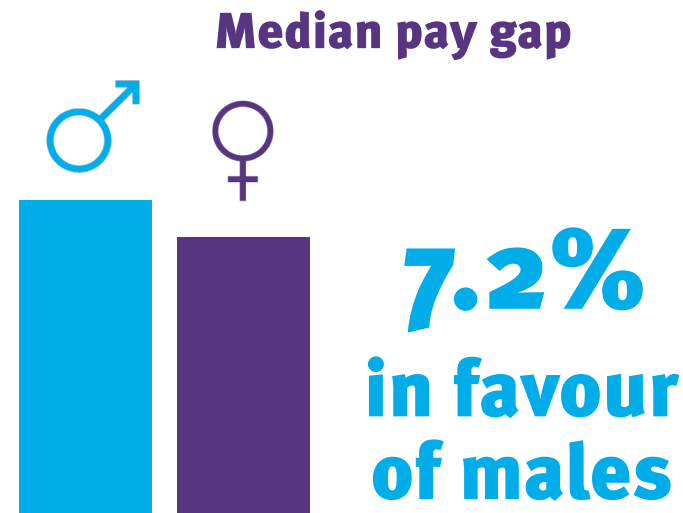
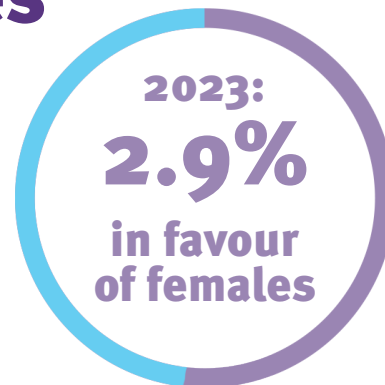
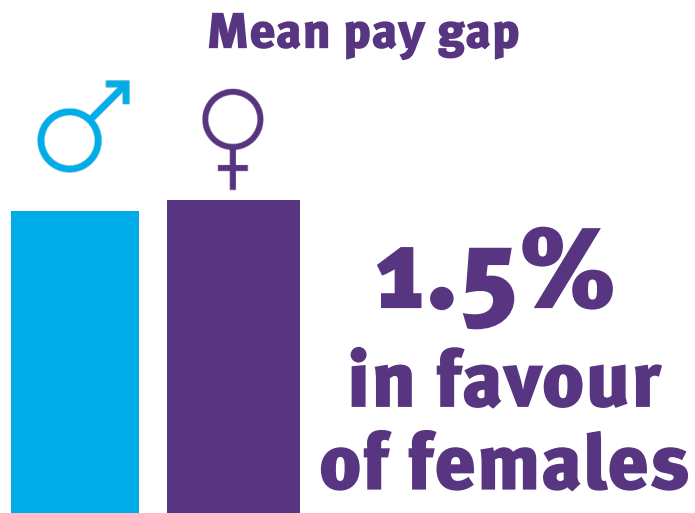
Our workforce

At 31 March 2024, Business Stream employed 307 colleagues across a range of operational and support roles. We're trusted by over 300,000 business customers to provide water and waste water services with the highest levels of customer service. Our gender balance has remained fairly consistent over the past few years. On our snapshot date of 31 March 2024, 46% of our employees were female and 54% male (166 males and 141 females).



What is Business Stream's gender pay gap?

Our gender pay gap results for hourly pay for the year 2023/24 are shown below. On average, our female colleagues were paid 1.5% **more than** males. The median pay gap has decreased to 7.2% in favour of males. And although we still have more to do, our results compare favourably against the national average gap of 14.3%* in favour of males.

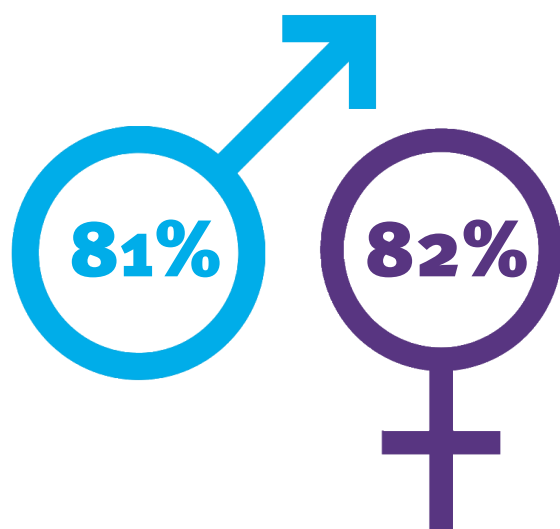


*Office for National Statistics 2023 estimated Gender Pay Gap.

What is Business Stream's gender bonus gap?

The bonus figures reported reflect the bonus paid in May 2023 to colleagues who were eligible for bonus for the 2022/23 financial year. The proportion of females who received a bonus was 1% higher than males at 82%. The mean bonus was 4.6% higher for females, a 7% swing from the previous year. The median bonus pay gap was 22% higher for males (which equates to around £850). Our figures include 29 part-time colleagues who received a pro-rated bonus based on their contracted hours, this included 26 females and three males. Our 2023/24 figures were also impacted by temporary arrangements put in place as we transition to a new career and pay progression model. Once we complete this transition, we anticipate the Median bonus gap will reduce significantly.

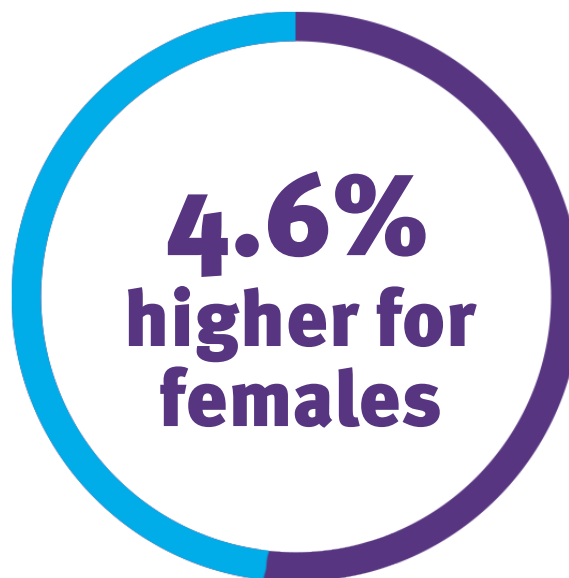
Proportion of males and females receiving a bonus



2023: 82%

2023: 81%

Mean bonus gender pay gap



2023: 2.4%
higher for males

Median bonus gender pay gap



2023: 12.1%
higher for males

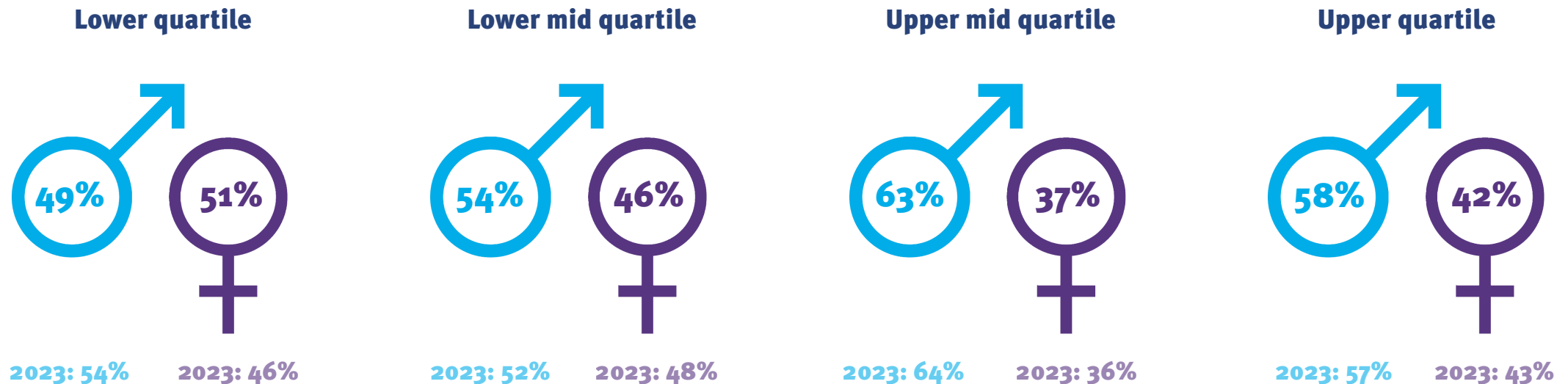
Pay quartiles

The diagrams below outline the proportion of males and females in each pay quartile at 31 March 2024. Using hourly pay, the quartiles divide the list of earners – ordered from lowest to highest – into four equal groups. This provides a picture of where male and female employees are in the pay hierarchy.

We're pleased to report an improvement in our upper mid quartile which includes a number of specialist roles, including Technology and Transformation roles, which remains a challenging sector to recruit females in. This has been achieved through our focused strategies to support a balanced gender distribution across our roles.

We had 37 males in the upper quartile pay band at 31 March 2024 versus 27 females however, the average pay gap for that quartile was 15.6% higher for females reflecting positively the number of females employed in leadership roles.

Percentage of males and females in each pay quartile



Next steps

Our progress to build an inclusive culture continued positively, however, we acknowledge that there are still areas where improvements can be made. Below we share a few of our highlights for the year ahead, as we continue to make a positive difference in our drive to build a more inclusive culture within our business.

- **Equity, diversity and inclusion (ED&I)** - Continue to implement our ED&I strategy by ensuring all colleagues participate in our ED&I development programme. Work collaboratively with our ED&I representative group to ensure that our colleague voices are heard and that they positively influence policy and decision making across our business. This group represents our LGBTQ+ community, our neurodiverse colleagues, working parents, different ethnicity, race, faith and religious groups and colleagues with both physical and hidden disabilities. In 2023 we signed the Menopause Workplace Pledge and are now working with our external partner “Henpicked” to build a road map towards full Menopause Friendly Accreditation. We are also proud to have been awarded Best Employer for Women, at the inaugural Women in Utilities awards in June 2024.
- **Remuneration** - We’re committed to ensuring our pay and remuneration practices are inclusive, fair and transparent and we are investing in the continued development of our remuneration frameworks.
- **Development, talent and succession** - As part of our Learning Strategy, all colleagues are encouraged to build individual development plans that support their own unique needs and styles, and provided with access to learning and development to build their careers in Business Stream and support their personal growth. Building on our success of improving the gender split in our upper quartiles, we will continue to ensure that inclusion (including gender) is a fundamental in our talent management and succession planning strategies.
- **Recruitment and attraction** - Our flexible policies are attractive to female colleagues and are particularly popular in the lower quartile colleague population where we have more than a third of female colleagues working part-time hours. As a result, our median pay and bonus gaps may always look positive towards males. Our part time workers are valued colleagues and we will continue to offer flexibility where we can to support colleagues individual needs, acknowledging that this may negatively impact our statistics.

Our plans are not static and will continue to evolve as we listen to our colleagues and observe best practice.

We’re passionate about providing a working environment that encourages diversity and inclusion - where all colleagues have access to the same opportunities and are encouraged to reach their full potential.

Naturally different.

