



Lowri Beck

Gender Pay
Report 2020

The gender pay gap report provides a snapshot of the gender balance within an organisation. The gender pay gap measures the difference in pay between the average earnings of all male and female employees regardless of their role or seniority.

The gender pay gap should not be mistaken for equal pay. Equal pay refers to a male and female being paid the same for doing the same work or work of equal value. Lowri Beck pays males and females equally for doing like-for-like jobs.

At the time of reporting Lowri Beck employed over 1600 people in the UK split across a regional workforce and Head Office support functions. The duty to report on the gender pay gap has highlighted the shortage of women employed across the energy and utilities sector in senior positions and as engineers. However, with the introduction of the gender pay gap reporting requirement this has highlighted areas of continuous improvement required across organisational diversity and inclusion, with the purpose of addressing disparity in the male female pay comparison.

Lowri Beck employs a diverse workforce and the duty to report has helped the business to identify areas where we can improve our gender balance. Lowri Beck has historically, alongside many other organisations struggled to recruit females into engineering positions that typically represent a pay premium. This is due primarily to overarching lack of females entering the field of engineering in the UK, and in fact worldwide. To combat this imbalance Lowri Beck are continually looking at ways to improve the female engineering population by way of a continuous review of our diversity statistics and engaging a range of DE&I programmes to combat decreasing numbers.

Lowri Beck recognises that there is an imbalance of gender in senior operational roles, this will continue to be a clear focus for the business through 2021 and beyond. We are taking action to address the difference by introducing initiatives such as a large-scale Career Mapping Programme. The programme is designed to strengthen the talent pipeline of women into more senior positions. Alongside career mapping Lowri Beck are continuing to focus on broader diversity initiatives with the introduction of a DISC - Diversity & Inclusion Steering Committee to support the business in identifying areas of improvement and driving cultural change to ensure we provide a truly inclusive environment that supports all diversity including supporting and empowering all women within our business.

What is the gender pay gap?

The gender pay gap provides a snapshot of the gender balance within an organisation. The gender pay gap measures the difference between the average earnings of all male and female employees regardless of their role or seniority.

Workforce representation

Lowri Beck collected our data on the 5th of April 2020, when our workforce consisted of 349 women and 1263 men. Our female employee population represents 28% of the total workforce.



Lowri Beck Gender Pay Gap Reporting

As required, Lowri Beck Gender Pay gap reporting focuses on three specific areas:

Lowri Beck Hourly Rate

How our hourly rate differs for men and women presented as an average (the mean) gender pay gap and as a central cut (the median) gender pay gap.

Lowri Beck Pay Quartiles

Ordered from top to bottom by hourly rate, what percentage of the quarter is men and women.

Lowri Beck Bonus

The percentage of men and women receiving bonus pay and how it differs for men and women presented as an average (mean) gender bonus pay gap and median gender bonus pay gap.

Gender pay gap reporting during the COVID-19 pandemic

2020 saw the challenge of the COVID 19 global pandemic resulting in a large proportion of Lowri Beck employees being furloughed at the snapshot date. Reporting requirements for this year have been amended to take account of this. Furloughed employees receiving less than 100% of their pay must be included in the three bonus pay calculations but excluded from the remaining three required statistics.

Lowri Beck: Hourly Rate

The difference between gross hourly earnings for all men and all women. The mean is calculated by adding all employees' hourly rates of pay together and dividing by the total number of employees. The mean includes the lowest and highest rates of pay. The median is the measurement used to calculate the average pay, by finding the midpoint in all employees' hourly rates of pay. Therefore, half of the employees will earn a rate above the midpoint and half will earn a rate below the midpoint.

Lowri Beck: Mean and Median

Mean

29%

Median

31%

Our mean pay gap is currently 29%. The primary reason is that there are more males than females in senior roles (as indicated by our pay quartiles on the following page).

Lowri Beck Pay Quartiles

In comparison to the Lowri Beck gender pay gap report 2019, we recognise that despite our efforts, the gender pay gap has increased slightly over the last few years. The increase is mainly due to a critical increase in rates of pay for technical field roles, enabling Lowri Beck to continue to remain competitive in attracting and retaining our engineering workforce.

The disparity evident across the upper middle quartile is typical of a sector that traditionally attracts a predominantly male workforce with fewer females entering the sector at field work force level. Additionally, more males are employed in technical field roles. Lowri Beck receives significantly fewer applications from females than males for our roles requiring variable or non-standard working patterns, these roles pay premium competitive rates and attract additional payments for emergency work and additional technical skills.

Our pay rates are appropriate to the complexity of roles we recruit, meaning that regardless of whether posts are held by males or females, they will be paid the same. In the top two quartiles, the number of available positions in any given year are fewer than at the lower middle and bottom quartile. It is therefore difficult to influence these areas easily. It is however encouraging to note that since starting to report our gender pay gap in 2017, we have seen an increase in the number of overall females employed and will continue to focus on attracting females to our business. It is worth noting that out of all engineering graduate and post graduate education opportunities, 2019 saw only 19.1% of the total places available were filled by female engineering students. This reduced number of female engineers is reflected across the energy and utilities industry and is not unique to Lowri Beck.

	2020	Women	2020	Men
Top Quartile (highest paid)	8%	1	92%	11
Upper middle quartile	20%	2	80%	11
Lower middle quartile	43%	4	57%	6
Bottom quartile (lowest paid)	41%	4	59%	6

Lowri Beck bonus (excluding furloughed employees)

Not all employees working for Lowri Beck receive a bonus payment. On the snapshot date of those employees eligible 84% were male and 16% female. This is reflective of the lower number of females in roles that historically operate a bonus related pay structure. The opportunity to earn bonus is predominantly (however not exclusively) amongst our field technical and data reading roles.

Bonus % comparison male v female



Bonus: mean and median

Mean
20%

Median
37%

2020 sees a positive increase for the second consecutive year demonstrating that the bonus pay gap is reducing in terms of both the mean and median. This is encouraging and can be attributed to an increase of females recruited alongside the introduction of a pilot bonus scheme for non-field-based roles where there is a more equal split of male and females.

Lowri Beck Gender Pay Gap – Action Plan 2019 to 2020

Unfortunately, Covid 19 and the requirement to furlough a significant amount of workforce employees impacted the action plan to improve areas of our male female ratio. However, we recognise that the action plan to tackle areas of focus is now as important as ever, and the action plan has been reinstated.

2019 Actions	Updates
Review of recruitment practices to attract more females to consider working for us.	This review was delayed and has now been incorporated into the overall ED&I review.
Survey and set up a focus group with our women to ensure we identify and address any barriers to entry and /or progression.	Delayed due to furlough.
Introduce a business wide incentive scheme to improve access to business across the whole team.	Pilot bonus scheme has commenced and is to be reviewed.
Introduction of development plans to and career progression planned for Autumn 2019.	Development plans delayed, Career Mapping programme roll out in progress.

At Lowri Beck, we are committed to improving and learning how to increase our representation of all demographics of diversity, including females. Due to the established lack of females entering engineering positions, the Lowri Beck 'Career Mapping Programme' is designed to focus on developing and supporting employees into more senior roles over the long term. However, in the immediate term an increase in females entering the sector in field and engineering roles is unlikely to change sufficiently to influence our gender pay gap results. However, we continue to be committed to encouraging females to undertake these roles which would undoubtedly be the biggest factor driving a reduction in our pay gap.

Whilst it is pleasing to see some progress with the gap closing on the Lowri Beck bonus median we recognise that there is a requirement for improvement across other areas. A key area of attention is the attraction strategy, by attracting females into our industry addressing the stereotype of roles that have traditionally been undertaken by men.

Our current action plan will contribute towards this however our belief is that this will continue to be a slow steady increase that will take some time to impact on our gender pay gap report. We are an equal opportunities employer and are in the process of undertaking a full review of our ED & I strategy to ensure there is no bias in our recruitment and career progression opportunities.

Lowri Beck will continue to support the development of our employees and drive career progression within our organisation to enable all, regardless of gender to progress into more senior roles within our organisation if they wish to.

We confirm that the information contained in this report is accurate.

Dave Taylor,
CEO, Lowri Beck Services


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David Donnelly,
HR Director, Lowri Beck Services


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