

Gender pay gap report 2019



This report is prepared on behalf of Network Rail Infrastructure Limited, a member of the Network Rail Group of companies owned by Network Rail Limited.

Network Rail's gender pay gap has been calculated in accordance with Government regulations. The report is based on snapshot data as of 31 March 2019.



Andrew Haines

Chief executive

I want us to lead the way in making our industry more diverse and inclusive. It's the right thing to do and it makes good business sense.

We know that a diverse workforce performs better – the variety of ideas different people bring help us to challenge the status quo and find new, better ways of working. A diverse workforce also helps us to better understand and meet the different needs of the huge variety of passengers who travel by rail every day. Our workforce should reflect the world around us.

We are under no illusions about the challenge the journey towards having a truly diverse workforce at Network Rail presents. In an industry that is both traditionally and still overwhelmingly male, eradicating the gender pay gap is hugely important, but can only be sustainably achieved in the long-term by addressing the overall gender imbalance. That is why, in our last report, we said that while we were pleased that our gender pay gap was well below the national average, we knew our priority must be to address the significant gender imbalance at Network Rail. In practice, that means inviting a lot more women into junior engineering and operational roles.

We knew that this approach would, most likely, negatively impact our gender pay gap in the short term. As we increase the proportion of women in junior roles, we increase the number of women on lower salaries. But it's absolutely the right thing to do. Without nurturing the talent of many more women in junior roles, we will be relying on others to develop the pipeline of talent needed to build a future where significantly more women fill our most senior roles.

Over the last year, some great work has taken place to begin to address this imbalance. As a result, between March 2018 and March 2019 we have raised the proportion of women in our business from 16.6 per cent to 17.3 per cent. This is a

small initial increase but shows that change is happening and that the hard work of our colleagues is paying off.

As expected, this has had a negative impact on our gender pay gap and we have seen a slight increase from 11.2 per cent to 11.6 per cent. We know we have a long way to go but I am confident that we are on the right track to creating a diverse, balanced workforce in the long term.

Over the next year we will continue with our plans to increase the proportion of women at Network Rail at all levels in our business. As well as attracting more women, we are focused on developing the phenomenal talent we already have at Network Rail.

Reducing the gender pay gap and having a more balanced workforce is a critical part of our vision where every individual is able to succeed and is encouraged to reach their full potential. By creating a culture that promotes diversity, inclusion and mutual respect I am confident that we will create the diverse and inclusive railway that this country deserves.



Pauline Holroyd

Group HR director



Since joining in summer 2019, I have been extremely impressed by Network Rail's commitment and dedication to diversity and inclusion. We know our gender pay gap cannot be fixed overnight and will continue to fluctuate as we improve our gender diversity over the coming years. However, by recognising and understanding the makeup of our workforce better, we can tailor our approach to tackling gender diversity in these areas more effectively.

The 20by20 project, designed to increase the proportion of females to males to 20 per cent by 2020, has really built momentum this year. We have increased female representation across all levels of the organisation; from our technical and clerical roles up to our management roles and also those working on the frontline. These three groups present very different challenges when it comes to gender diversity due to the nature of the roles and, more significantly, the female talent available.

This year we have increased female representation in our management roles, where talent is in shorter supply and competition from other organisations is fierce. Just 27.1 per cent of our management roles are held by women, which shows just how underrepresented females are - but we are shifting the balance. This year the number of women in management roles grew by nine per cent compared to four per cent for men in the same roles.

The proportion of females in technical and clerical roles paints a different picture. Women make up 46 per cent of these roles, and the number is increasing. We need to ensure this trend continues and that we provide the support and opportunities these women need to progress up through the organisation.

Our most difficult challenge remains attracting more women to our operations and maintenance roles, which continue to be male dominated. Women make up only 3.3 per cent of our 21,800 strong frontline workforce. I'm passionate about creating a better environment for our people and really pleased about the steps we are taking to address the specific barriers to creating an inclusive environment, such as improving welfare facilities for women trackside and introducing high visibility

personal protective equipment for expectant mothers. However, there is still a lot more we can do. As our frontline workforce directly support our passengers and train operating companies, it is imperative that we increase gender diversity in these roles to enable us to deliver the best possible service for everyone.

The gender pay gap is not a challenge specific to Network Rail. It is an industry-wide challenge and we are working with other similar organisations to better understand it. In 2019 we took part in a project commissioned by the Royal Academy of Engineering for Women in Science and Engineering to examine the gender pay gap specifically in engineering roles. The recommendations from this project are expected in early 2020.

We continue to work in communities to promote science, technology, engineering and maths subjects in schools and at events including the Big Bang Fair to encourage the next generation who will feed our talent pipeline. We are working hard on all fronts to make Network Rail accessible to all, to dispel myths about the railway culture and to reinforce our belief that diversity is what will set us apart from other businesses.

Gender pay gap figures 2019

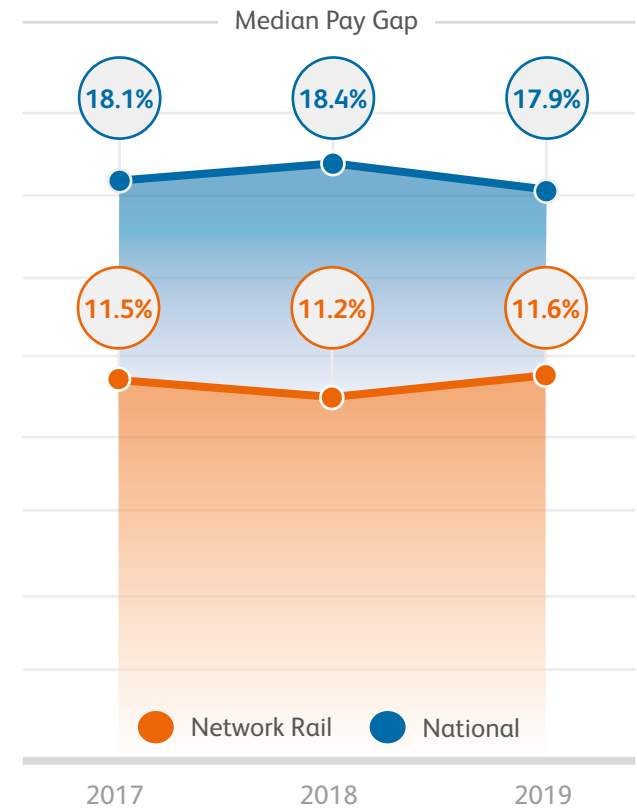


Mean (average)	Median (middle)
Gender pay gap	
7.8%	11.6%

Mean (average)	Median (middle)
Gender bonus gap	
-14.7%	-5.8%

Understanding our pay gap

Network Rail's median pay gap has increased by 0.4 per cent to 11.6 per cent this year. The mean pay gap has also increased slightly by 0.6 per cent to 7.8 per cent. Our median pay gap remains significantly lower than the national average of 17.9 per cent.



As we laid out in last year's report, we expect our gender pay gap to fluctuate as we work to improve the gender diversity in our organisation. Focusing on only one area of the business can cause large fluctuations and artificially skew our pay gap. So, gender diversity needs to be tackled at all levels, from our apprenticeship schemes that will feed our talent pipeline to executive leaders who can drive the business forward and make positive impact for our passengers.

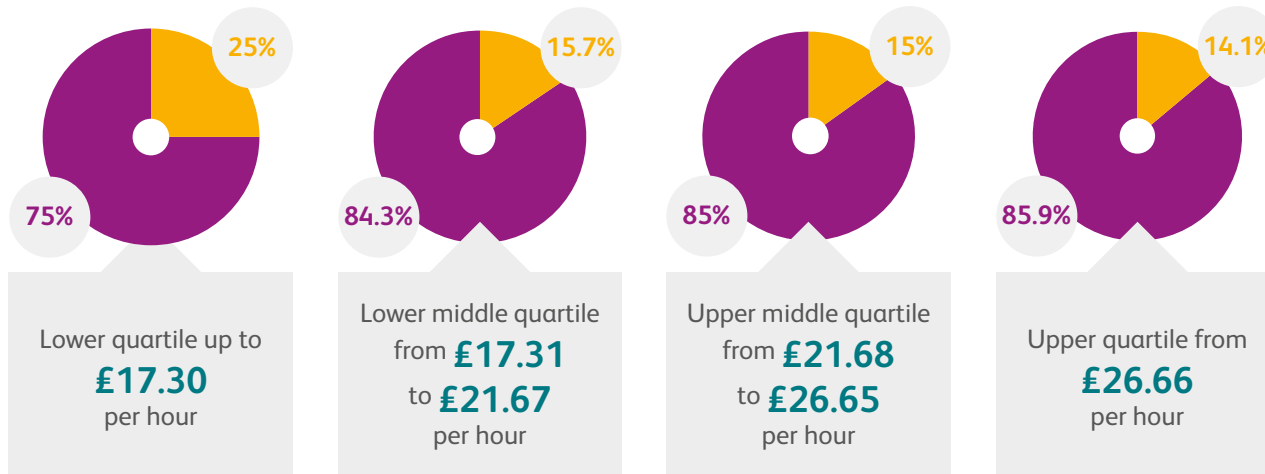
Taking a holistic and balanced approach means our pay gap will be a better representation of our organisation while we increase the proportion of women in our workforce.

This year the median bonus gap increased from zero per cent to -5.8 per cent in favour of women. The bonus scheme for technical, clerical and operations and maintenance staff – which make up 71 per cent of the workforce – has also changed to align bonus payments to route or business area performance. This means that for the first time in years, there is differentiation in bonus payments to this population to better reward higher performing areas. In previous years, all employees in this population were aligned to national performance and therefore all received the same payments, hence the zero median bonus gap in previous reports. A negative mean and median bonus gap indicate that on average, women are paid higher bonuses compared to men.

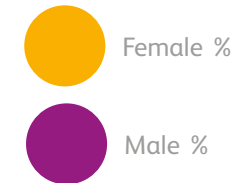
Did you know?

The gender pay gap and equal pay are often confused, however they are quite different. The gender pay gap is the difference between the average pay of men compared to the average pay of women within an organisation, across all levels of the business. What this means in practice is that if women do more of the less well-paid jobs, the gender pay gap is usually bigger. Equal pay, on the other hand, is the legal requirement for men and women to be paid the same for performing the same work or work of equal value.

Proportion of males and females in each pay quartile

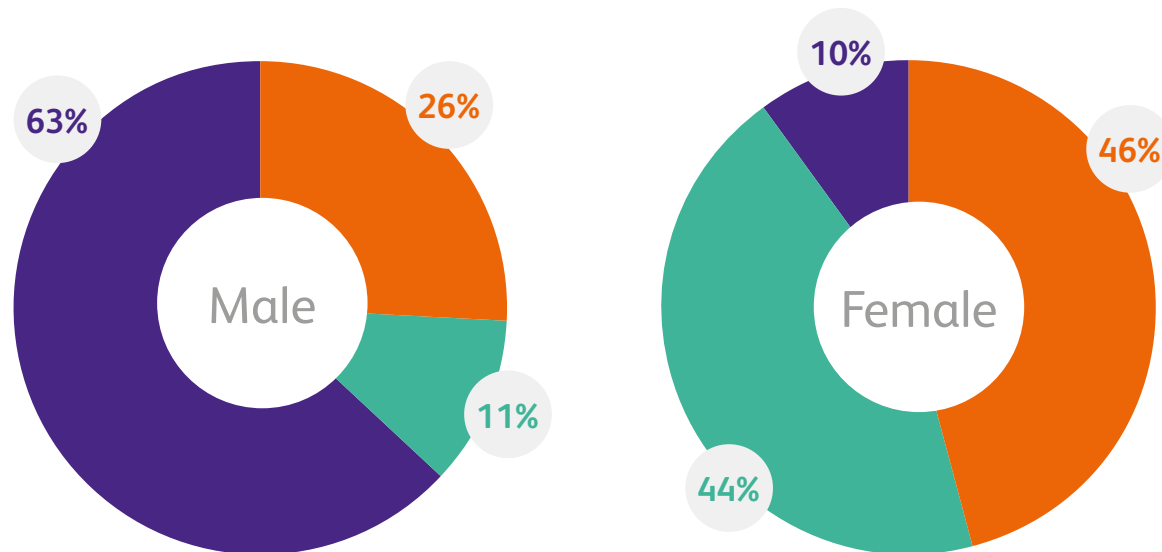


Since last year, the proportion of females has increased across all quartiles except the lower mid quartile which remains broadly the same. The largest increase was in the lower quartile which has contributed to the slight increase in the median pay gap this year.

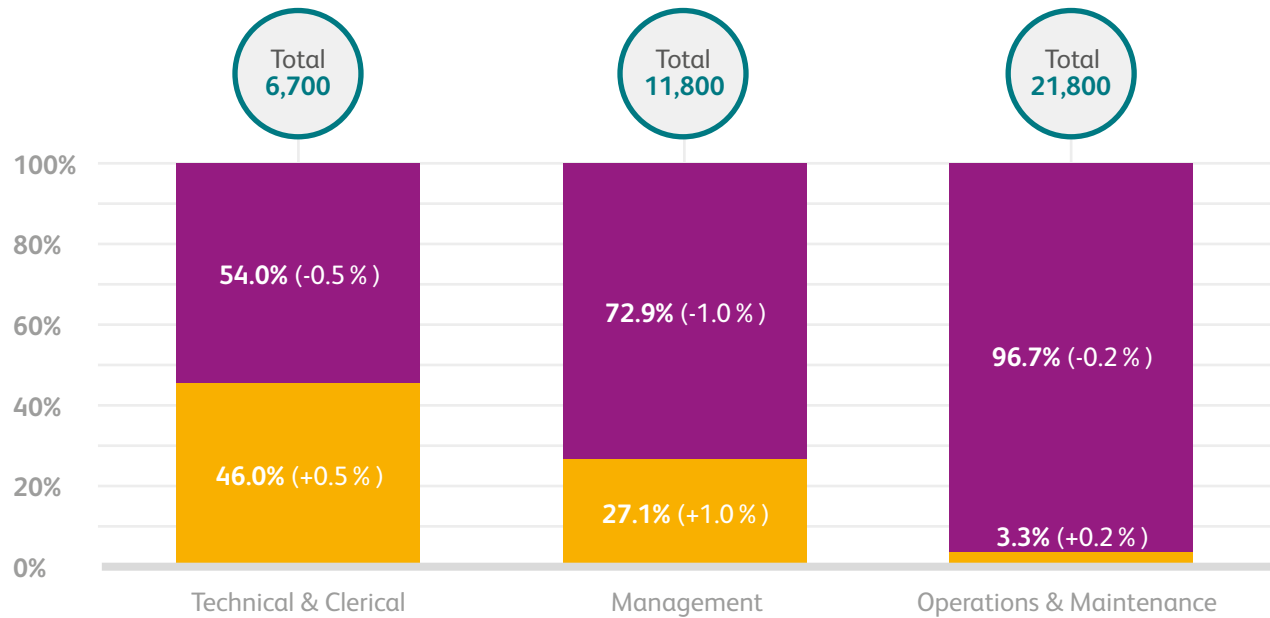


Gender distribution by role type

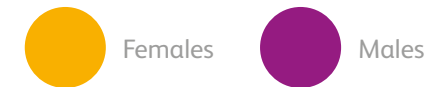
The proportion of males in management, technical and clerical and operations and maintenance roles remains the same this year. There was a one per cent decrease in the proportion of females in technical & clerical roles and one per cent increase of females in management roles.



Proportion of females vs males by role type

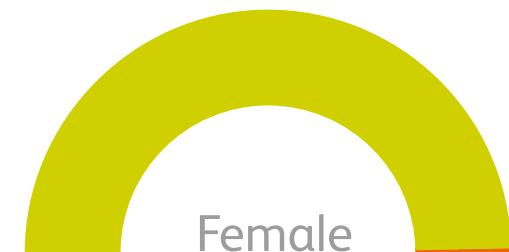
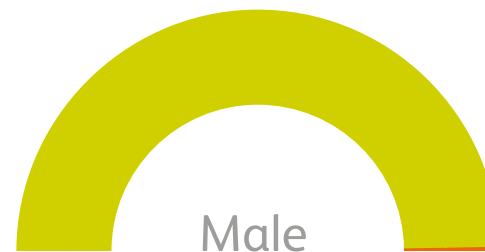


The proportion of females increased across all roles types this year. The largest increase was in management roles which saw a one per cent shift in proportion of males to females. Females are best represented in technical and clerical roles which continues to increase at a steady rate, up 0.5 per cent this year. The proportion of females in operations and maintenance roles also grew slightly this year by 0.2 per cent. However, this still represents a very small minority of these roles and is a priority area for the organisation.



Proportion of males and females who received a bonus

For bonus payments, employees in management positions participate in the annual performance related pay (APRP) scheme which is a 'percentage of salary' scheme. This has higher pay-outs compared to the general performance related pay (GPRP) scheme which is a 'fixed amount' scheme that all other employees participate in, i.e. technical, clerical, operations and maintenance staff. As a higher proportion of males are eligible for the lower general performance related pay scheme compared to females (74 per cent vs 54 per cent respectively), the average bonus payment for males is lower.





20by20 update

Loraine Martins MBE
Director of diversity and inclusion



It has been a positive year and we have continued to increase gender diversity in the business, making it a more open, inclusive and diverse environment where women want to work. We have built on the changes made last year and continued to be creative. For example, we are utilising social media such as LinkedIn and Mumsnet in different ways to reach a more diverse pool of talent.

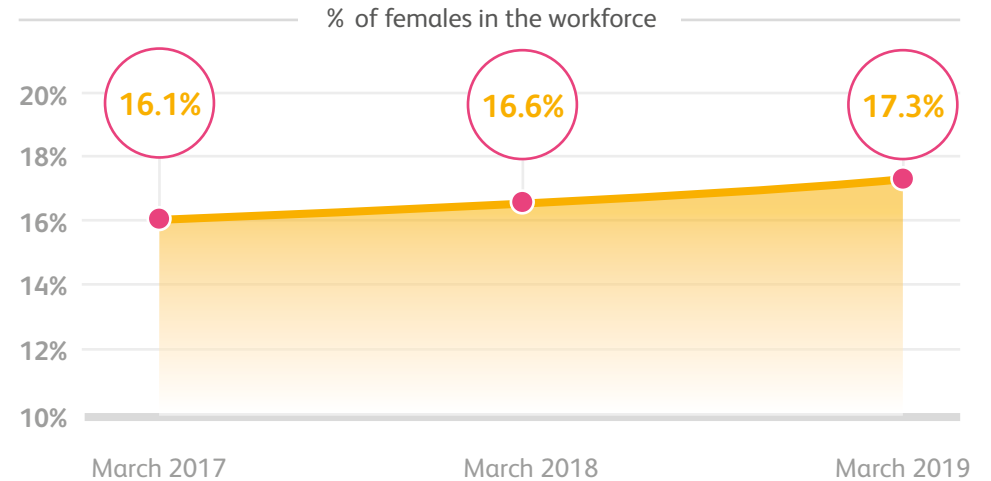
We have introduced development programmes for all employees currently in, or looking to move into, middle management, of which a third of all applicants have been women. We have also piloted a specific Women in Leadership programme which targets talented females in middle management to support their career development.

We have improved our welfare facilities for women by introducing more mobile welfare units which were short-listed for an award in the innovation category of the Rail News Awards. We also introduced a ground-breaking menopause project, creating more resources available for women's health and well-being.

These initiatives demonstrate our continued commitment to improving diversity in all parts of the business, from the office to the frontline.

Our business has made improvements against the Women in Science and Engineering ten steps programme for building a framework for increasing gender diversity, moving from 14th to 9th in the rankings of 33 large organisations who took part.

Each element of our 20by20 project is driven by our colleagues in the regions, routes and functions across the business and is a testimony to their effort and dedication. At the end of the pay gap reporting year (March 2019) we had 17.3 per cent females in our workforce and will be over 18 per cent by the end of 2019. We are proud that we are making strides to increase diversity whilst broadly maintaining our gender pay gap.



The following sections of this report showcase some of the work we are doing to attract, recruit, progress and retain female talent.

Attraction and recruitment



To address the gender imbalance in our organisation, we need to attract and recruit more female candidates into roles across all levels of the business.



Taking ownership in a devolved world

Our regions and routes have been working hard to take ownership of diversity and inclusion in their own areas. Initiatives developed and delivered by the people who have a better understanding of local challenges and are closest to these areas often reap the best results.



Our Anglia route piloted a returners programme in their asset protection and optimisation team. Workingmums.co.uk was utilised to advertise the scheme resulting in 5,000 views and 500 applications. Three women were successfully appointed to roles through the scheme.



A programme was introduced in Scotland to address inequalities and access to Network Rail by people from underrepresented communities, tackling social and gender inequality.

The Saltire programme provided high calibre students in the area with placement opportunities for 10 weeks. The entire intake was female and covered a broad programme of activities across Network Rail and Abellio Scotland. Participants responded very positively, and many indicated an interest in pursuing a career in the rail industry that they hadn't previously considered.



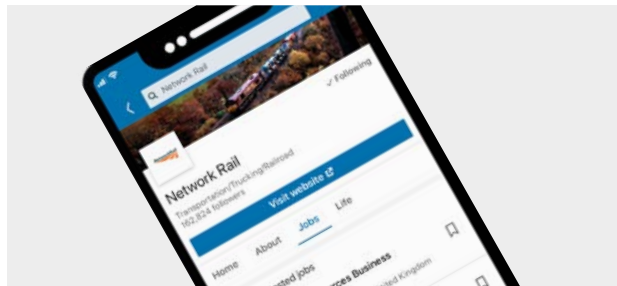
In the Eastern region, colleagues collaborated with Women in Rail and other large organisations to pilot the Never Mind the Gap initiative. This targeted women who were either not in employment or looking for a career change into the rail industry. The initiative provided them with free training and a two-week work placement to re-ignite their careers and give them experience of what it is like to work in the rail industry.



Attraction and recruitment continued



Utilising social media



We introduced a social media campaign to raise awareness about Network Rail as a great place to work. This campaign aimed to increase the number of females following Network Rail's LinkedIn career page. Candidates who follow a company on LinkedIn are six times more likely to apply for a role with that company and more likely to stay within that company in the future.

A LinkedIn campaign which targeted females across several professions ran for three months and resulted in 1,400 new female followers across target areas. This enabled Network Rail to nurture the new followers with engaging candidate-focused content that takes people further along the decision-making process to join us by really bringing the experience of working at Network Rail to life.



Celebrating International Women's Day

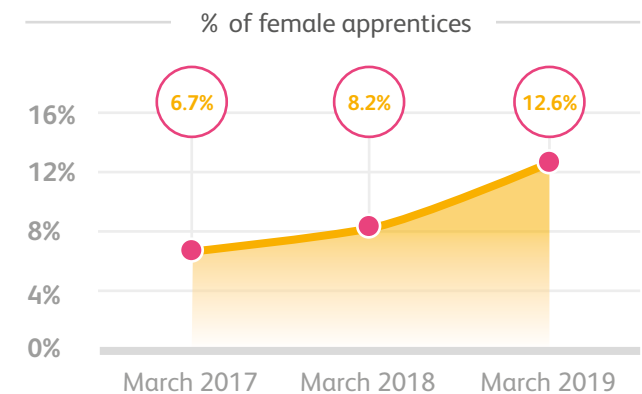


We celebrated International Women's Day by showcasing short videos of eight Network Rail women from various roles across the business to show the variety of opportunities available in our organisation. The videos featured on all our social media platforms and reached tens of thousands of people. The videos were also shown in our managed stations, where they could be seen by millions of passengers.

You can view the full-length video here: <https://www.youtube.com/watch?v=qKViU7KoYHU&t=18s>



Apprentices



Last year we made a commitment to increase female representation in our apprentices up to 50 per cent by 2024. In the last year we have increased the number of female apprentices from 62 to 105. This is excellent progress, yet we know that there is more work to do in this area to meet our ambitious targets.

We know that bringing in more female apprentices who are typically lower paid will increase the gender pay gap. That is why developing our women and ensuring they have opportunities to participate in initiatives and programmes that can help them progress is vital, so that in future we have more women in senior roles.



Progression and retention



Developing and progressing our existing female workforce into senior roles is a crucial part of reducing the gender pay gap at Network Rail.

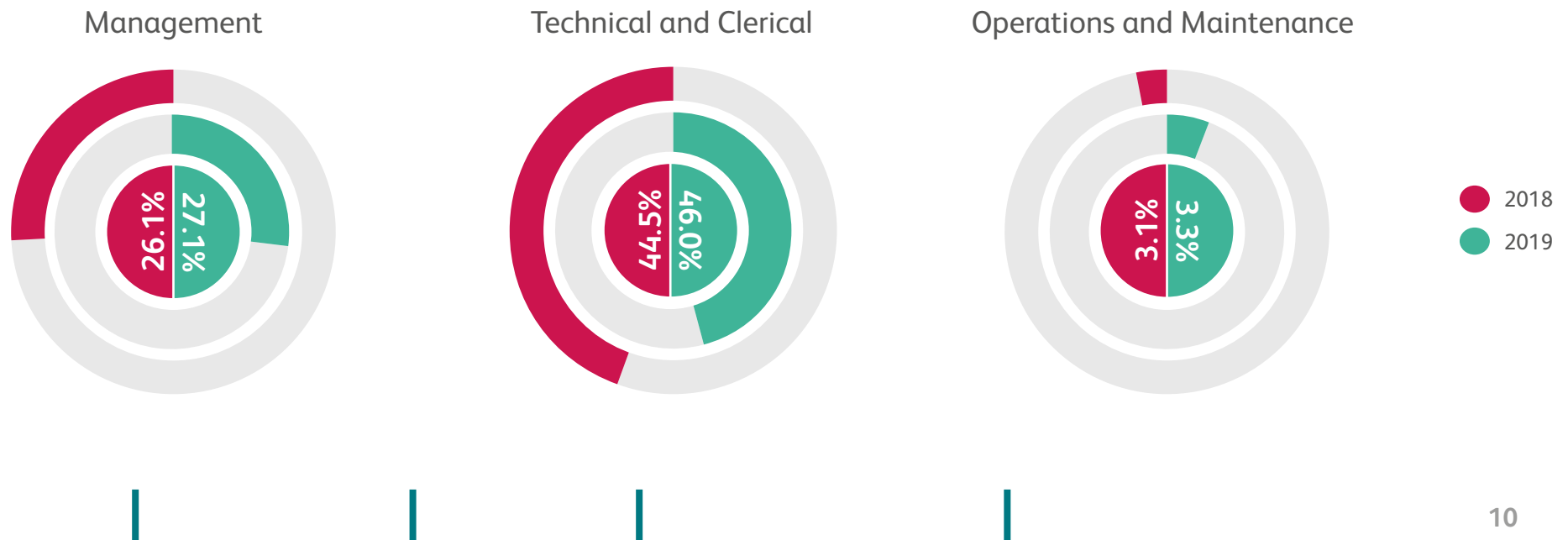


Management roles

We are pleased that the proportion of females has increased compared to last year, and it is also encouraging to see that the increase is in all areas, particularly management roles. This is testament to the initiatives implemented to support the 20by20 project.

Female representation in management grades grew at a faster rate this year compared to those in technical and clerical roles and those in operations and maintenance roles. This is crucial from a business perspective, because as well as balancing our gender pay gap, increased diversity breeds better ideas, collaboration and performance. As we look to increase the number of females at all levels, we are mindful that if we only recruit women into lower levels through our apprenticeship and graduate schemes, we will widen our pay gap. Therefore, it is vital that we look to increase female representation at all levels of our organisation.

% change in proportion of females



Progression and retention continued

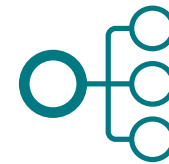


Women in leadership programme



This year we have introduced a career development programme specifically targeted at women in middle management already in the business. This offering was designed to feed the pipeline of female talent for future senior and leadership roles. We cannot rely on external markets to produce the talent we need to run a successful business. It is critical that we continue to invest and 'grow our own'.

Nikki Martin, project manager in group transformation, recently joined the programme and said 'I really value the investment Network Rail has put into me and others like me. It is just one example of the positive action Network Rail is taking to support all minority groups, not just women. The Women in Leadership programme is a great opportunity to support my own personal development plan and build on the skills, experience and confidence I have already gained through my years here at Network Rail. My line manager was incredibly supportive of me taking part and it should be something all people like me get involved in.'



Leadership programmes

After a review of a previous leadership programme, it was decided to split the programme into two separate schemes. These were piloted this year each with 30 cohorts - the emerging leaders programme (ELP), for bands four and five, and a leadership exploration and development programme (LEaD), for bands two and three. The new programmes will recognise and develop people from a wider reach of the business, enable cross-function learning, and support the career development of our future leaders.

Both programmes were hugely popular with 10 times more applicants than places on offer. We anticipate opening the programmes out to more employees in the future.

Even with the best recruitment policies in place, we would not be able to reduce our gender pay gap effectively without ensuring we can retain the invaluable females currently working at Network Rail.

Working Forward pledge

In 2018 we signed up to the 'Working Forward' pledge by the Equalities and Human Rights Commission, which is a commitment to making our workplace the best it can be for pregnant women and new parents through four action areas; leadership, employee confidence, supporting managers and flexible working. Work is continuing to take place across Network Rail to deliver on this pledge.



Progression and retention continued



Inspire allies programme



Inspire – the gender equality employee network, created the Inspire Allies programme in 2017 to engage more men in the gender equality conversation and to encourage colleagues to make pledges to support a more gender balanced workforce. Since 2018 membership has grown from 182 to over 300 allies. This year there

has been a focus on communications to showcase what colleagues across Network Rail are doing to support gender equality. The Allies team have also attended all apprentice and graduate inductions to promote the employee networks amongst these new starter communities. A particular highlight was one of the leadership team, Tim Milford, senior programme manager, being shortlisted for the Women in Rail ‘Inspirational Man of the Year’ award for his work with Inspire Allies.



Women in Network Rail focus groups

We are committed to continuing to give women at Network Rail a voice and using their insights and experiences to influence and improve future representation of women in the rail industry. To do this, in March 2018 58 females from across all functions and geographic locations took part in six focus group sessions, facilitated by two diversity and inclusion champions. The findings of the focus groups were shared with the executive leadership team and underpinned many initiatives in the 20by20 programme. One area requiring more work is gender diversity in our operations and maintenance roles. These have been and will continue to be our biggest challenge as these roles have traditionally been predominately male.



Improved welfare facilities

A key recommendation to address gender diversity in our operations and maintenance roles was to provide more adequate welfare facilities for females, because of the negative impact that limited or even a lack of appropriate facilities can have. In Wales a number of improvements have been made including the creation of more female toilets, lockers and a drying room. Work continues with further toilets and shower facilities planned. These improvements are vital because in March 2019 the Wales Region welcomed two female apprentices and a further three in September 2019. The continuing work to provide better facilities for all ensures that our welfare facilities are inclusive.

Scotland have started to provide free sanitary products across the region. Stigma around periods continues to affect women and trans men around the world. In the UK, the conversations have started to break down the taboo around menstruation, but some women are still being impacted. It is hoped the policy will have a positive impact on the wellbeing of employees and reduce stigma surrounding periods.



Progression and retention continued



Maternity personal protective equipment (PPE)

Another key finding from the focus groups was that often PPE is not the correct size for women using it. In 2017 a Trades Union Congress report on PPE and pregnant women also found that half of the respondents interviewed had been forced to cut back on their normal duties or change roles due to suitable PPE not being available. Previously expectant mothers had to wear oversized male protective clothing and make their own alterations.

To address this Network Rail has introduced high visibility maternity PPE for expectant mothers. This supports our aim of creating a more inclusive environment and diverse workforce where all employees can be safe and comfortable.

We continue to deliver a range of initiatives and are pleased that we continue to make steady progress in creating a diverse and inclusive workplace. We are constantly looking for ways to accelerate improvements in the gender pay gap, and while we know that this is not straightforward, we remain committed to creating positive change that promotes diversity and inclusion.



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