

# Gender pay gap report 2020



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 2020.



## Andrew Haines

Chief executive



## Pauline Holroyd

Group HR director



**The progress we have made with improving gender parity at Network Rail over the last few years has, in part, been thanks to our 20by20 project, which aimed to increase the proportion of women in our workforce to 20 per cent by the end of 2020. This year alone we've seen an increase of just over one per cent, bringing us to 18.4 per cent, and we expect to exceed 19 per cent by the end of 2020.**

We're not forecast to reach the ambitious target we set ourselves, but that was not the main outcome of the project. We wanted to put diversity and inclusion on everyone's radar, to acknowledge that more action needs to be taken and to be brave enough to take on the task of changing our culture and challenging the way people think about women in our male dominated industry. We are looking to understand where exclusion exists and the root cause of it, so that we can fix any systemic problems at source.

We have done much of what we set out to achieve but it doesn't stop here. Now, through the Gender Matters programme, we are taking the momentum we have built through the 20by20 project and applying the same dedication to continue to build a more diverse workforce and inclusive culture. We've refreshed our target and want to increase the number of women in the business by 50 per cent across the control period which should take us to 26 per cent female by 2024.

Over the last year, we have seen many initiatives to tackle the lack of female talent in the science, technology, engineering & maths (STEM) pipeline.

We continue to work closely with Women in Science and Engineering (WISE) on increasing the number of female role models on the My Skills My Life platform, designed to encourage female students to consider a career in STEM. We celebrated Women in Engineering Day by producing our own 'Just Like Me' film to inspire young women to explore engineering opportunities. We also targeted universities which had higher representation of female engineering students. We engaged with them through skills sessions, employer events and career fairs which have received very positive responses. Long-term we hope to see these efforts pay off with a more diverse supply of female talent across the industry.

There has been a slight increase in our gender pay gap this year which now sits at 12.2 per cent, a 0.6 per cent increase on last year. The main reason for this is because, although we are attracting and recruiting more female colleagues, the majority are in lower paid roles. We have continued to bring in more women in management and leadership roles, however this has been at a slower rate than we would like. We expect

our gender pay gap to fluctuate as we continue to increase female representation across the business, but it is critical that we create a more diverse workforce. This is our long-term target.

This year, the way we work has changed drastically. Like many other organisations, thousands of people around the business were asked to work from home during lockdown. As a result, we have seen how effectively our people can adapt and thrive in new ways of working.

Many colleagues now have a better work life balance, and more freedom to decide when they do their best work. That is why we have introduced new progressive policies around flexible and agile working to better support our employees, not just through the pandemic, but beyond. By moving with the times and adjusting the way we work to meet the needs of our people, we can get the best out of them and truly become a strong, diverse organisation that anyone would be happy to work for.



# Gender pay gap figures 2020



This is the fourth year we have published our gender pay gap report. We have acknowledged from the beginning that tackling the gender pay gap is a long-term goal and that addressing the gender diversity of the organisation through the 20by20 project, and now the Gender Matters programme, remains our immediate objective. The impact of this, as reported in previous years, is that the gender pay gap will fluctuate as we increase the proportion of women working at every level of the business.

Gender diversity needs to be tackled at all levels, from our apprenticeship schemes that feed the talent pipeline to executive leaders. Having a workforce that represents the passengers we serve is vital in understanding their needs, and to enable us to deliver the railway that they deserve. An inclusive culture allows everyone to contribute different ideas and bring their best self to work, whether that's on the track, in a station, office or at home.

## Understanding our pay gap

Network Rail's median pay gap this year has increased by 0.6 per cent to 12.2 per cent. The mean pay gap also increased by 1.6 per cent to 9.2 per cent. Our median pay gap remains lower than the national average of 15.5 per cent.

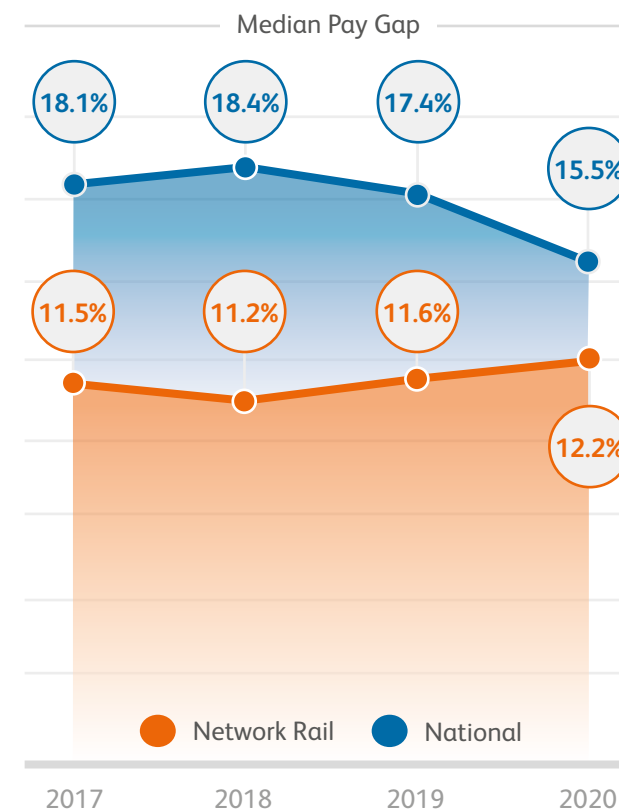
Mean (average)	Median (middle)
Gender pay gap	
9.4%	12.2%

Mean (average)	Median (middle)
Gender bonus gap	
-12.3%	-12.8%

This year the median bonus gap increased from -5.8 per cent in favour of female employees to -12.8 per cent. The mean bonus gap decreased from -14.7 per cent to -12.3 per cent. The main reason for the median and mean bonus gap being in favour of female employees is because there is a higher proportion of the female population in management roles (46 per cent) who take part in the annual performance-related pay scheme (APRP) compared to 26 per cent of male employees. The APRP has higher bonus payments compared to the general performance-related pay scheme (GPRP) which roles in the technical and clerical and operations and maintenance groups take part in. As 74 per cent of males take part in the lower GPRP scheme (compared to 54 per cent of females), their median and mean bonus payments will be lower.

Both APRP and GPRP schemes were also linked to route and functional performance which can cause variations in payments to individuals in the same scheme. In the case of the APRP, bonus payments are also linked to band, salary and personal performance which can cause more variation for individuals doing the same role.

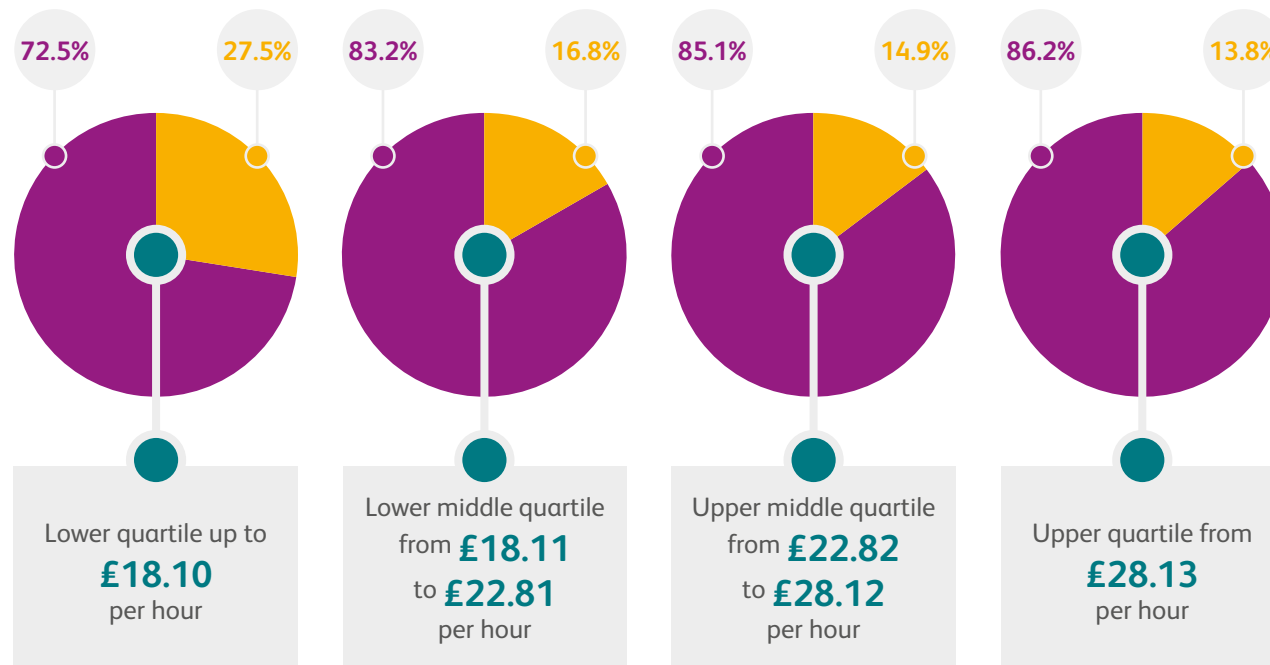
The next section delves into some of the reasons for the changes in the pay gap.



# Gender pay gap figures 2020 continued



Proportion of males and females in each pay quartile

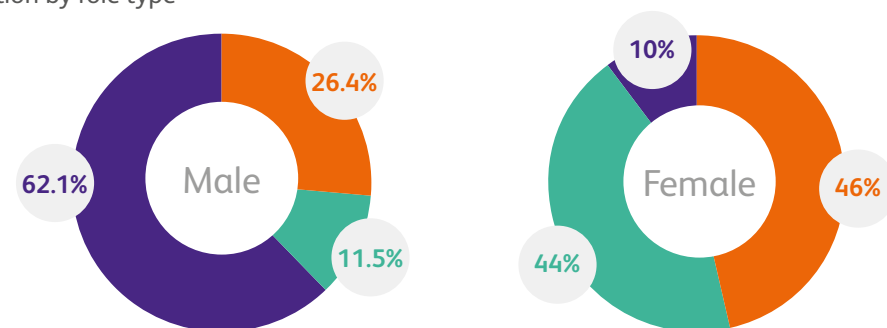


Female % Male %

In 2019/20, Network Rail's female workforce grew at a faster rate than the male workforce. The number of female employees in Network Rail grew by 12 per cent compared to male employees which grew by four per cent. However, female employees make up just 18.4 per cent of the workforce. The proportion of females in the lower and lower middle quartiles increased by 2.5 per cent and 1.2 per cent respectively. Whereas the proportion of females in the upper middle and upper quartile decreased slightly, by 0.1 per cent and 0.3 per cent respectively. Despite the number of females increasing across all quartiles, the number of males in the upper middle and upper quartile increased by more proportionally, therefore reducing female representation at these quartiles. The opposite is true in the lower and lower middle quartiles, which have both contributed to the increase in the gender pay gap this year.

Gender distribution by role type

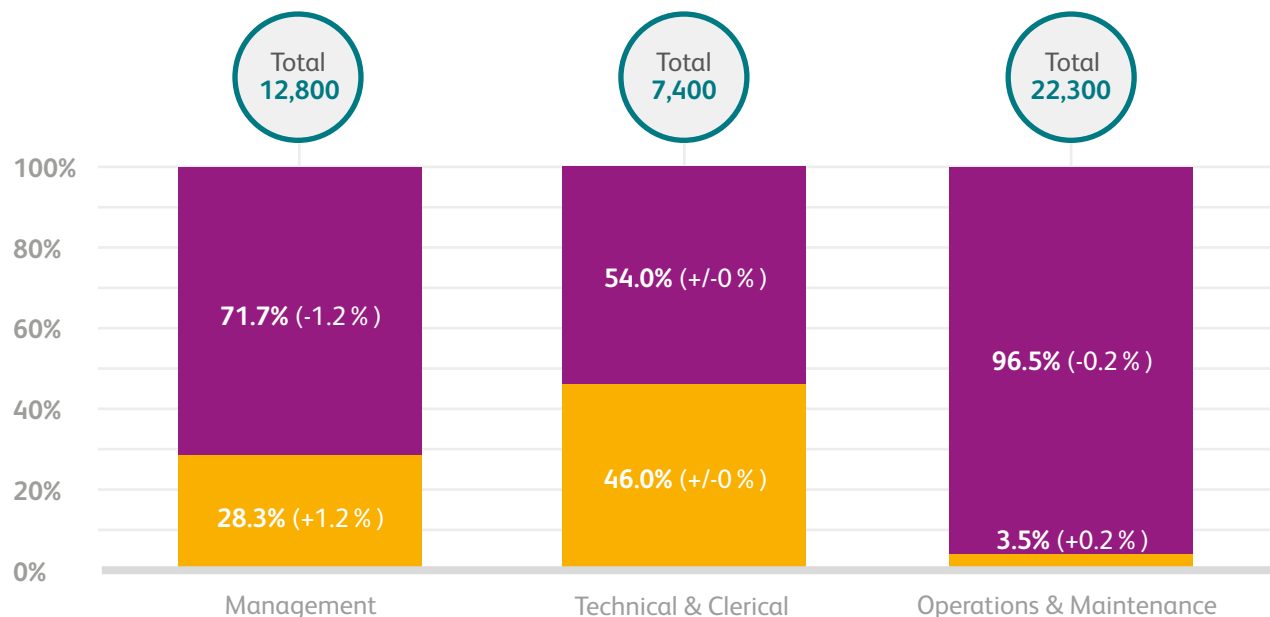
The proportion of males and females in management, technical and clerical and operations and maintenance roles remains broadly the same this year.



# Gender pay gap figures 2020 continued



Proportion of females vs males by role type



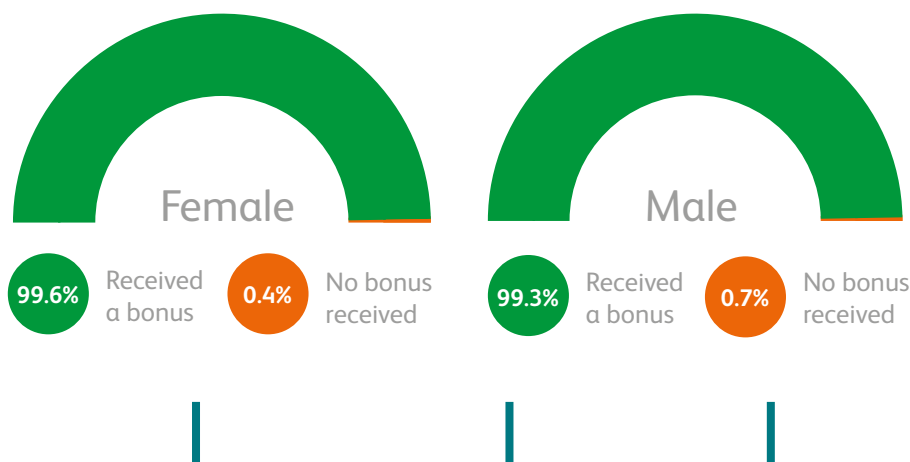
This year, the number of females increased in all three management, technical & clerical and operations and maintenance groups.

In terms of proportional representation, the proportion of females in management roles increased by 1.2 per cent to 28.3 per cent. This is evidence that some of the initiatives in place to help develop and attract females into these roles is working.

There was no change in the proportion of females in technical and clerical roles although the number of females in these roles grew by 10 per cent. The number of females in operations and maintenance roles grew by 11 per cent which resulted in the overall proportion of females in these roles increasing by 0.2 per cent to 3.5 per cent.

● Females ● Males

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 GPRP scheme compared to females (74 per cent vs 54 per cent respectively), the average bonus payment for males is lower.

There are several reasons why an employee may not receive a bonus payment, these could be due to long term absences, poor personal performance, receiving a disciplinary warning or no performance rating submitted (for APRP scheme).

# Gender pay gap figures 2020 continued



## Intersectionality

Intersectionality means looking at how various social identities (protected characteristics), such as race and gender are interconnected. Looking at the intersectionality between race and gender, we can see that there is differentiation in median rates of pay between white male employees and their female counterparts and employees from a black, Asian and minority ethnic (BAME) background.

	Median hourly rate of pay	Pay Gap versus 'White - Male'
White - Male	£23.60	-
BAME - Female	£20.50	13.1%
White - Female	£20.64	12.6%
BAME - Male	£22.04	6.6%

The pay gap is greatest for female employees from a BAME background at 13.1 per cent when compared to white male employees. This is greater than the pay gap for white female employees of 12.6 per cent. This shows that the relationship between race and gender could disadvantage females more if they were from a BAME background.

Dividing our male and female BAME employees further, we can see more differences in the pay gap compared to white male employees.

	Median hourly rate of pay	Pay Gap versus 'White - Male'
Mixed or other - Female	£19.02	19.4%
Black - Female	£19.89	15.7%
Black - Male	£21.66	8.2%
Mixed or other - Male	£21.71	8.0%
Asian - Female	£22.04	6.6%
Asian - Male	£22.81	3.4%

At this level, female employees from a black background, have a bigger pay gap compared to their Asian colleagues. The pay gap for Asian colleagues is lower than our black colleagues irrespective of gender. Female employees from a mixed or other ethnic minority background have the biggest pay gap. However this group is relatively small therefore sensitive to large fluctuations.

In all cases, female employees have a lower median hourly rate of pay compared to their male colleagues in the same BAME group.

For more information on our ethnicity pay gap, please read our report that can be found on our [website](#).



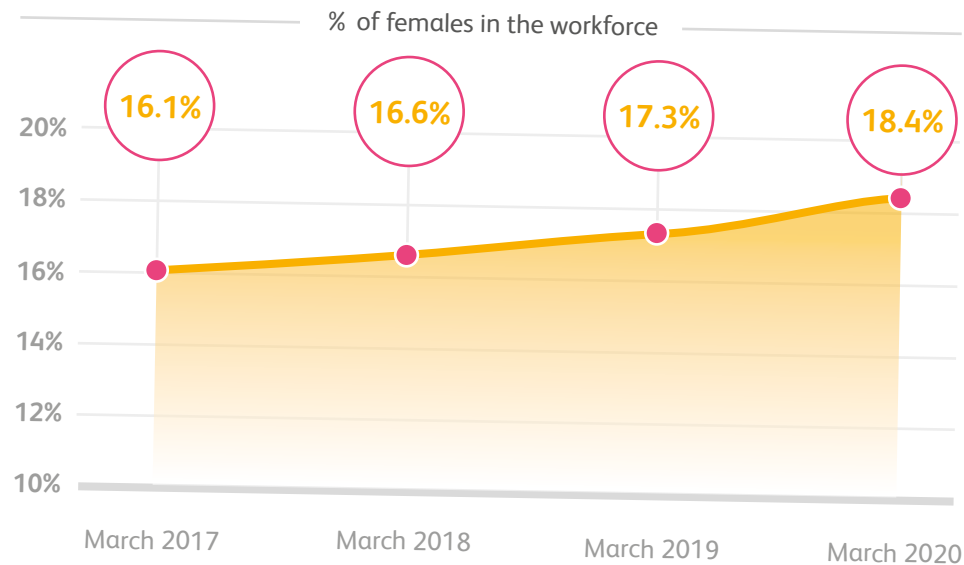
## 20by20 review

Loraine Martins MBE  
Director of diversity and inclusion



This year marks the final year of the 20by20 project. Although we will likely fall just shy of this ambitious target, I am pleased with all the effort everyone across our regions, routes and functions has put in to helping us increase the gender diversity of our organisation. At the time of this report, our workforce is 18.4 per cent female and expected to reach 19 per cent by the end of 2020. This is a good achievement from the 14.2 per cent we were at the beginning of Control Period 5.

We are now changing our focus from 20by20 to Gender Matters which seeks to maintain and refresh our efforts on increasing gender diversity. We have set ourselves another ambitious target and want over a quarter of our workforce to be women by the end of CP6.



We have continued to work with other businesses and organisations on early engagement, particularly in schools and colleges to make STEM more appealing to female students. I was particularly proud of the way our team of women worked closely with others in the railway industry to run Britain's first all-female operated train. This was such an impressive achievement and is another demonstration of how women can thrive in our industry and contribute to every part of running the railway.

Although we have changed a lot in recent years there is still more work to do. Our gender pay gap report has helped to draw attention to the diversity of our workforce and made us more consciously aware of the way we act, talk and listen to our colleagues and customers. I've been heartened by the work our colleagues in the regions and routes have done over the last few years on the 20by20 project and I am sure they will carry that momentum, commitment and vigour into the Gender Matters programme over the coming years. However, I know that as we continue to increase female representation in the workforce, this could result in more fluctuations in our gender pay gap in the short to medium term.

# Engagement, attraction and recruitment



To address the gender imbalance in our organisation, we need to attract and recruit more female candidates.



Celebrating international women's day



A flagship film 'All Change' landed on International Women's Day (8 March) to showcase how disciplines like biodiversity, sustainability and community are so important to how we run the modern railway – and how young people can turn their interests into rewarding careers that positively impact communities all over Britain.

We also worked with industry to run Britain's first all-female operated train. A rush hour south eastern service left London for Kent, operated by a female driver and conductor, and a team of all female Network Rail signallers staffed the route. It was the first time an all-female team has operated a commuter service from depot to destination. It was also an excellent opportunity to engage with young females and teach them about the opportunities available to them on the railway. To facilitate this school children interacted with female role models from the rail industry on the journey.



Female campus engagement



Due to the lack of female STEM students going through the education system, recruiting female STEM graduates can be challenging. We used data insights to target universities which had a higher representation of female engineering students and began engaging with these universities through skills sessions, employer events and careers fairs. As a result, we have seen an eight per cent increase in sign-ups from female students interested in our STEM roles.





# Engagement, attraction and recruitment continued



## Continued early engagement



We have continued to engage with thousands of young girls to inspire them to consider a career in rail.

We supported the 'if you were an engineer, what would you do' campaign where pupils work with engineering professionals to create an engineering solution to a problem. There have been over 27,000 entries and Network Rail engineers have delivered 15 online interviews. The campaign changes perceptions about engineering, encouraging more girls to consider engineering as a career.

We have continued our support of the Big Bang Fair which this year was moved to a digital event due to Covid-19. The aim of the event is to promote STEM careers to young people and has a focus on targeting girls to consider engineering as a career. This addresses the future skills gap in the number of engineers coming into the industry, as well as the fact that engineering is still male dominated. The audience at the event has a 50 per cent gender split, and there is an increased focus on supporting attendance from schools across lower socio-economic areas of the UK. 27,000 young people viewed the event and 2,500 viewed the Network Rail session.



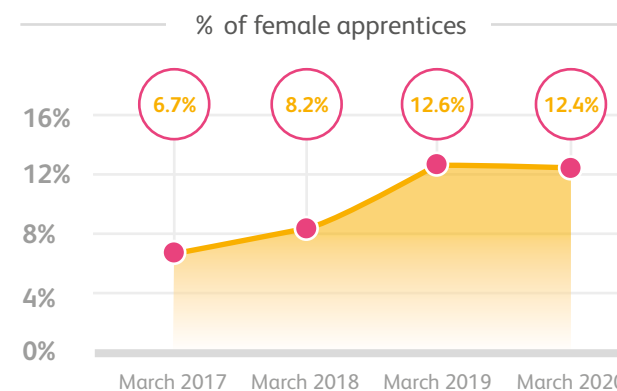
## My Skills My Life

Continuing our work with Women in Science and Engineering (WISE) we have increased the number of female role models on the My Skills My Life platform, which is a quiz aimed at girls to inspire them to consider a STEM career. At the 2019 Big Bang Fair almost 2,000 young people participated in the quiz at our stand.

On 23 June 2019 we supported Women in Engineering Day by launching our 'Just Like Me' film to inspire young women to explore engineering.



## Apprentices



The number of female apprentices in the organisation continued to grow this year from 105 to 127, an increase of 21 per cent. However, our overall apprentice population grew by 23 per cent which meant our male apprentices grew at broadly the same rate. Despite more female apprentices in our organisation, there was little change in their overall proportion.

This does bring to life the broader challenge we face of encouraging more girls to consider a career in STEM, the competition they face from male peers and the competition we face from other organisations. Despite this, we remain committed to increasing female representation in our apprentices to at least 50 per cent by 2024.

# Engagement, attraction and recruitment continued



A systems interventions approach -  
signaller intervention



Moving forward we will be taking a rigorous approach to reviewing our systems and processes to get to the root cause of any inequality and make systemic changes that will positively influence diversity and inclusion.

An example of how we have started to do this is with our signaller recruitment campaign in the North and East route.

A thorough analysis of how we recruit, attract, assess and onboard signallers resulted in us creating a new candidate journey which offers better support to candidates throughout the process. This included setting up and building stronger links between those waiting to start and current employees. Overall, the intervention was a great success, with all 41 places being offered and a gender split of 22 per cent female and 78 per cent male. That compares to a national average of seven per cent female signallers.



Introducing candidate personas –  
a more human approach



We are changing the experience of potential candidates who wish to join Network Rail through using personas. We carried out research which has enabled us to identify, segment and define six different candidate personas that are now being used in our recruitment activities.

Through these personas we can tailor our approach

to recruitment, one that is centred around the candidates needs, appealing to their career drivers and values and also build a story that helps give them a better understanding of what working life is like in our organisation. By connecting on a more human level, and by helping our candidates, we know that we'll build even greater diversity within our organisation.

We piloted the use of the personas during the marketing phase of our North East Signaller recruitment campaign (opposite). Not only did we see all roles filled with high calibre candidates, 22 per cent of which were to female candidates, we also saw exponential growth in offers to candidates from black, Asian and minority ethnic backgrounds. The personas had a key impact in building an authentic and compelling human story about life as a signaller, helping our candidates decide whether the role was right for them.



# 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.

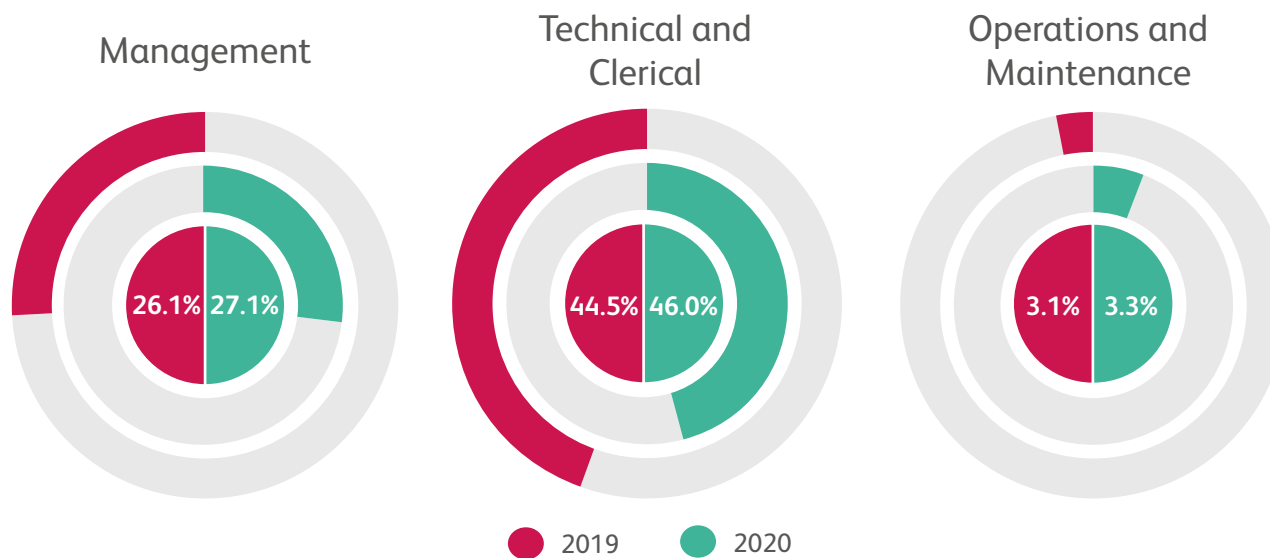


## Management roles

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 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



## 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 is our gender equality employee network. Its vision is that Network Rail employees of all genders are treated equally and can pursue careers that they choose. It is a growing network with over 1,000 members all over the country. This year the network increased their presence by setting up more local networks as our organisation becomes more devolved. One example is the Eastern Inspire network which launched at a local delivery unit in Leeds and attracted new members from areas of the business the networks traditionally struggle to reach.



## Progressing female talent

In recognition of the lower numbers of women in senior leadership positions a Women into Leadership programme that was created in partnership with the Diversity & Inclusion team continues to deliver support to women just below this threshold across the organisation. Over 100 women have been on the programme so far, which helps them to consider their future career goals and develop strategies to achieve this.

Local regions have started to host their own development days through the Inspire network to ensure the local talent pipeline is diverse.

Senior men and women from across the organisation have taken part in the Women in Rail mentoring scheme as either mentors or mentees. This is a great example of how our industry is collaborating to improve gender balance in the rail sector.



## Growing an agile workforce



This year we have improved the approach of our human resources community by making roles we advertise more flexible. The Covid-19 pandemic has meant our workforce has been working in ways that some people previously thought impossible, such as working exclusively from home. Over the next year we will be reviewing and updating our policies and guidance to reflect this shift, with the aim of creating a more agile workforce that focuses on when, where and how outcomes are delivered. We will also advertise our flexible job opportunities. We hope this will help us attract, retrain and develop an increasingly diverse workforce which should be further reflected in future reports.

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