

Gender pay gap **report 2021**

Introduction

Since agreeing our equality, diversity and inclusion (EDI) objectives two years ago, National Highways has made inclusion and diversity a key business priority.

We are committed to continuing to create a diverse, inclusive and enabling workforce to better reflect the communities we serve and help our colleagues be the best they can be. By attracting, developing and retaining diverse talent we will ensure the success of our organisation and play our part in helping create a sector that is seen by everyone,

regardless of who they are, as one of choice. Over the last year, positive steps have been taken to encourage gender balance across the organisation, but we still have more to do. We continue to focus on creating an environment where women are supported and empowered over the long term. We have made positive steps since launching our

EDI objectives including a refresh of our company values and behaviours with the addition of 'Treating everyone with respect, listening to and valuing others diversity and sharing ideas in an inclusive way'. We launched a new Respect at Work policy, an EDI e-learning module, a revised Reasonable Adjustments policy and partnered with external organisations such as W.I.S.E (Women in Science and Engineering) to help steer our activity in the right direction – more on these later in the report.

I was encouraged to see how our colleagues felt about this activity through our 2020 Employee Engagement Survey. 90% of colleagues said they understood how Respect at Work applied to them and 75% of our female colleagues showed advocacy by recommending National Highways a good place to work. In addition, colleagues recognised one of our key strengths is how the company values and promotes employee diversity. Moving forward we will build upon these gains and remain focused on opportunities for future improvements.

I, Elaine Billington, Human Resources and Organisational Development Director, confirm that information in the report is correct.

E. M. Billington

Our mean gender pay gap is 6.9%

Our median gender pay gap is 4.4%

Our mean bonus pay gap is 15.7%

Our median bonus pay gap is 1.5%

We continue to compare favourably to the public sector mean gender pay gap benchmark of 14.8%* and the private sector mean benchmark of 17.6%*.

Public sector **14.8%**

Private sector **17.6%**

*Source: Annual Survey of Hours and Earnings, Office for National Statistics.

Methodology

Mean pay gap

The mean pay gap is the difference between National Highways total salary spend per female employee and total salary spend per male employee. The number is calculated by taking the total wage bill for each and dividing it by the number of women and men employed by National Highways.

Median pay gap

The median pay gap is the difference in salary between the middle ranking female employee and the middle ranking male employee. By placing all the women and men working at National Highways into two lines in order of salary, the median pay gap will be the difference in salary between the woman in the middle of the line and the man in the middle of the respective one.

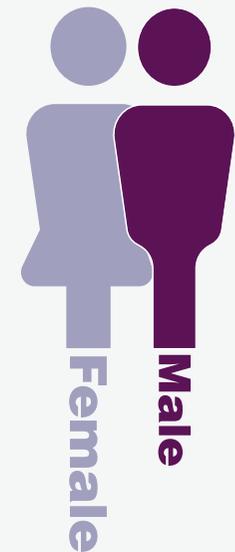
Pay gap vs equal pay

The gender pay gap and equal pay are often referred to and confused as the same issue. Equal pay is the legal requirement that women and men are paid equally for doing the same job under the Equality Act 2010. The Pay Band structure within National Highways ensures we pay our female employees equally.

Gender terminology

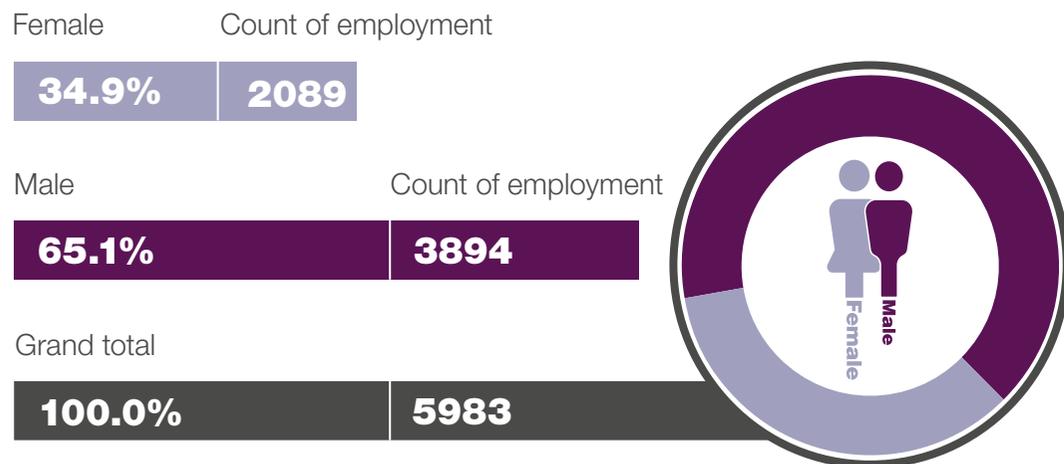
The Gender Pay Gap reporting guidelines outline the requirement to differentiate pay between men and women. This means we are unable to include statistical data on other genders within National Highways. Whilst we have used the gender terms 'female' and 'male' in a binary way within this report, we recognise that some of our colleagues do not fit into binary categories of gender and/or sex.

As part of our approach to creating a respectful, inclusive and diverse culture we continue to promote our Gender Identify policy and encourage our colleagues to share their pronouns in email signatures in support of our trans, intersex and non-binary colleagues.

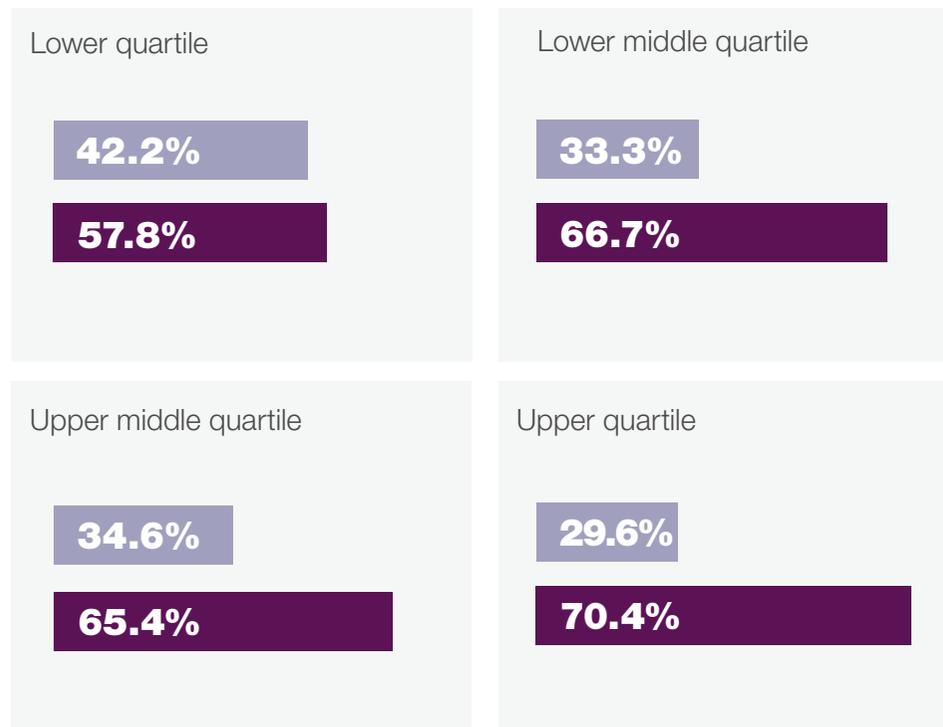


Our pay gap data

Number of National Highways full pay relevant employees by gender



Pay quartiles



Gender Pay Gap 2021

Mean gender pay gap

6.9%

Mean gender bonus gap

15.7%

Median gender pay gap

4.4%

Median gender bonus gap

1.5%



Grand total in pay quartiles by gender

34.9%

65.1%

How we are addressing our pay gap

Diversity and inclusion in the workplace

We appointed our third female Executive Committee member at the beginning of March 2021 and our Board has a 50:50 gender split.

We have also seen an improvement in our gender hire ratio with 37% of female new starters across the organisation versus 34% in 2019. In addition 30% of our graduate and apprentice intake for 2020 were female too.

We have also seen a 71% favourable response from women in our 2020 Employee Engagement Survey to the question 'I believe National Highways is committed to ensuring everyone is valued and respected', evidencing we are creating an environment where women feel they can flourish.

In addition, our survey included targeted Covid-19 questions to better understand how colleagues have been impacted and supported through the pandemic. On average 85.6% of our colleagues felt supported through the pandemic, with an

emphasis on work life balance, childcare and caring responsibilities. We used this extensive feedback to help structure our new approach to blended working, to further support those with family commitments and help create more opportunities for those who work part-time.

Our award-winning Returners Programme is in its fourth-year and during 2020 we have welcomed four women who had taken a career break of two years or more. All four colleagues have continued beyond the programme and are now permanent employees.

Working in partnership

We continue our partnership with W.I.S.E to maintain our focus on attracting, developing and retaining women with STEM skills. We conducted a qualitative research project in conjunction with Ipsos Mori to understand pupils perceptions of a career in the highways industry. This research also provided best practice solutions to engage with pupils and encourage them to careers in our sector. We supplemented this by facilitating CV writing support sessions with a school local to our head office, supporting pupils to write personal statements. This activity also formed part of our wider school engagement outreach programme which has a key focus on unlocking social mobility and attracting diverse talent.

Our Leading Women's Network plays a crucial role in supporting our female colleagues through mentoring, development and support sessions, as well as holding virtual events with organisations such as the Speak Out Revolution who work on cancelling the culture on silence and harassment in the workplace for women.

This work was recognised when the network successfully won the Public-Sector Employee Network of the Year 2020 with ENEI (Employers Network for Equality and Inclusion).

We signed the Race at Work Charter. This highlights our commitment to creating a leadership culture where inclusion is embedded through our everyday actions. We also achieved three of the five commitments within the first three months of signing the charter.

We joined Stonewall's Diversity Champions programme to understand what further improvements were needed to make our organisation a welcoming environment for the LGBT+ community, particularly focusing on support for our trans, intersex and non-binary colleagues.

We re-signed the Armed Forces Covenant to continue our commitment and support for our people who are veterans and to service leavers in using their transferrable skills to join our sector. We were awarded the Employer Recognition Scheme gold award to recognise the level of support we provide to the armed forces community.

Building an inclusive culture

We launched our Respect at Work campaign which included a new Respect at Work policy detailing how we expect our colleagues to treat each other and our zero tolerance towards sexual harassment, discrimination, bullying and harassment. We held Ask the Expert sessions enabling colleagues to talk through how to manage scenarios. As part of the campaign we also introduced a mandatory EDI e-learning module which supported our colleagues' development in understanding how to create an inclusive culture in the workplace. 83% of our colleagues successfully completed the module in the first three months of it being launched.

Our campaign message focused on data and how this helps us make evidence based decisions to support groupings of employees where it is needed most. As a result of data gathering we updated our Reasonable Adjustments policy and procedure after seeing a declining rate in disability declaration. The policy and procedure details how our colleagues and their managers can request and implement the support, where needed, to help them achieve their best.

As part of our overall approach to gender balance, and embedding EDI across the sector, we continue to actively engage and collaborate with our peer group and our supply chain, utilising our Supplier Diversity Forum, to understand where our shared challenges are and how we can overcome them together to create an inclusive and diverse sector.

We launched our 'Be counted. Be heard' campaign to encourage our colleagues to confidentially share their information.

Our focus for the future

- 
- Following the feedback that we received through our Employee Engagement Survey questions on Covid-19 we will develop a comprehensive part-time working campaign to enable part-time working, job sharing, and flexible working to become the norm across National Highways. The pandemic has helped fast track blended working and provided opportunities to improve our ability to attract wider diverse talent from different socio-economic backgrounds, geographical locations and provide attractive options for those that do not work a standard working week.
 - We will be undergoing a further assessment with the W.I.S.E 10 Step Framework which supports cultural transformation to drive diversity and inclusion. In addition, we will re-sign our commitment to Stonewall and aim for an improvement level as a Disability Confident employer with Gov.uk to take us to Level 2 of 3. We will also re-sign our Carer Confident employer commitment.
 - We will undertake an industry leading research project with Leeds University to evidence the commercial value to our supply chain on how inclusive and diverse workforces and environments contribute to the success of our sector.
 - We are revising our talent management and succession planning process to ensure it has inclusion and diversity at the heart of decision making to enable diverse talent to be grown within our own organisation.
 - We will investigate how we create a robust infrastructure to support the attraction, development and retention of neurodiverse talent. The initial focus of which will be to ensure we have an enabling environment for this talent pool to feel supported and be able to thrive in our organisation.

If you need help accessing this or any other National Highways information, please call 0300 123 5000 and we will help you.

© Crown copyright 2022.

You may re-use this information (not including logos) free of charge in any format or medium, under the terms of the Open Government Licence. To view this licence:

visit www.nationalarchives.gov.uk/doc/open-government-licence/

write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email psi@nationalarchives.gsi.gov.uk.

Mapping (where present): © Crown copyright and database rights 2022 OS 100030649. You are permitted to use this data solely to enable you to respond to, or interact with, the organisation that provided you with the data. You are not permitted to copy, sub-licence, distribute or sell any of this data to third parties in any form.

This document is also available on our website at www.nationalhighways.co.uk

For an accessible version of this publication please call 0300 123 5000 and we will help you.

If you have any enquiries about this publication email info@highwaysengland.co.uk or call 0300 123 5000*. Please quote the National Highways publications code PR76/22.

National Highways creative job number BHM21_0004

*Calls to 03 numbers cost no more than a national rate call to an 01 or 02 number and must count towards any inclusive minutes in the same way as 01 and 02 calls.

These rules apply to calls from any type of line including mobile, BT, other fixed line or payphone. Calls may be recorded or monitored.

Registered office Bridge House, 1 Walnut Tree Close, Guildford GU1 4LZ.

Highways England Company Limited registered in England and Wales number 09346363.