



Connexus Gender Pay Gap Report

2022-23

Submission to the Gender Pay Gap Service: 15th March, 2023

Snapshot: 5th April, 2022

Foreword

At Connexus our aim continues to be to create a great place to work, with a clear focus on ensuring our customers are serviced by a high performing, highly motivated and diverse team equipped with the right skills and capability.

We continue to operate within a tight labour market, where pressure on salaries, recruitment and retention remain strong. In focusing on our aim to create a great place to work, we have taken actions which seek to retain our workforce and have been relatively successful in doing so. A by-product of this has been a reduced opportunity to bring new people into the workforce, but where these arise, we promote Connexus as an organisation which supports our values and makes us a place where people choose to work.

Our strong commitment to attracting people from our local communities to work for Connexus increases our challenge with rural locations having a tighter labour market, with low levels of unemployment, skills shortages and aging populations.

We're committed to equality, diversity and inclusion and part of this commitment is to eliminate our gender pay gap. There is no difference between the pay of males and females employed in the same or equivalent roles and we know this because, in January 2020, we completed a review of our terms and conditions which included undertaking external benchmarking for all roles. In late 2021, we did further benchmarking in response to external changes.

We recognise that, during the year, our gender pay gap widened. While this is disappointing, it reflects the need we had to address recruitment and retention challenges within our repairs and maintenance team in bringing forward the external benchmarking of salaries in this team.

Our repairs and maintenance team is predominantly a male workforce, and the benchmarking (which recommended significant salary increases, while applying equally to male and female colleagues in this team) will have resulted in widening the gender pay gap for the organisation in 2022. The application of benchmarking of salaries for all remaining colleagues in November 2022 will have acted to increase salaries for other teams and so we hope to see a reduction in the gender pay gap for 2023.

We continue to ensure that across all our strategies and policies that opportunities to reduce the gender pay gap are identified and promoted to ensure we build an open and inclusive workplace where colleagues feel happy, confident and rewarded, irrespective of gender.

Paul Hulme
Interim Director of People

Introduction

The Gender Pay Gap is the calculated difference between the average (mean or median) earnings of males and females across our workforce. This approach enables transparency about gender pay differences and enables positive actions.

As required in the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017, Connexus is publishing our:

- Mean and median gender pay gap
- Mean and median gender bonus gap
- Proportion of female and male colleagues receiving bonuses
- Proportion of female and male colleagues in each quartile of our pay structure

Published Data

The deadline for this publication on the Gender Pay Gap Service is 4th April, 2023. The snapshot date required is 5th April, 2022, with any bonus payments made in the 12 months up to and including this date. You can view our published data on the [Gov.UK Gender Pay Gap Service](#).

6 colleagues on sickness and statutory leave were excluded from our calculations in order to follow the regulations.

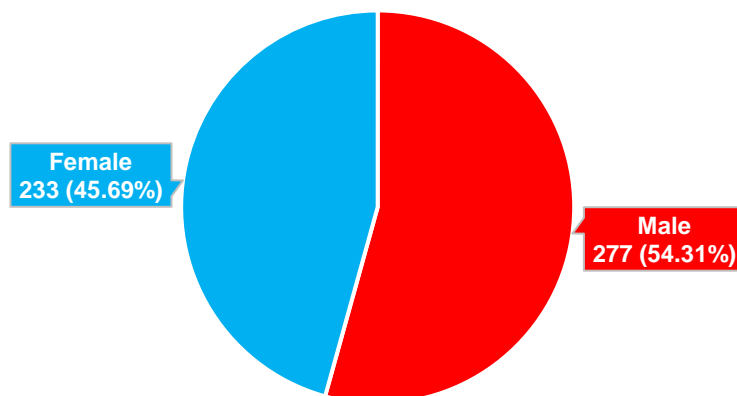
Findings

Workforce Gender Ratio

Connexus employed 510 colleagues on the payroll on 5th April 2022. This has fallen from 515 colleagues in April 2021.

Of our 510 colleagues, 54.31% (277) were male and 45.69% (233) were female, or a difference of 8.62%. This compares to a difference of 8.74% in April 2021.

Figure 1: Workforce Gender Ratio (as of 5th April, 2022)



Gender	Number	Percentage
Male	277	54.31%
Female	233	45.69%

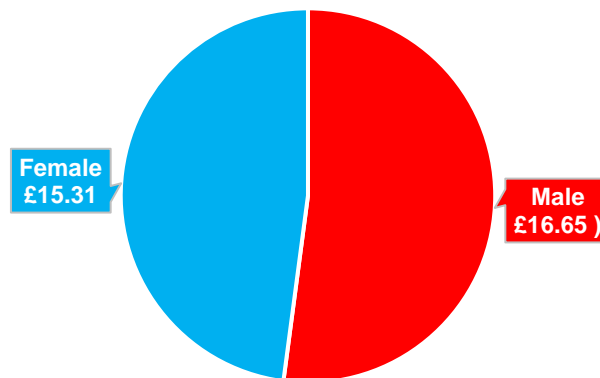
Mean and Median Pay Gaps

Mean

Males at Connexus were paid a mean difference of £1.34 more per hour than females. This is a difference of 8.0%, and is £1.16 more per hour difference than our previous year's reported gap (£0.18). This means our Mean Pay Gap has increased for the first time in five years. The gap of 8.0% compares to 11.1% in 2018, 9.1% in 2019, 8.4% in 2020 and 1.2% in 2021.

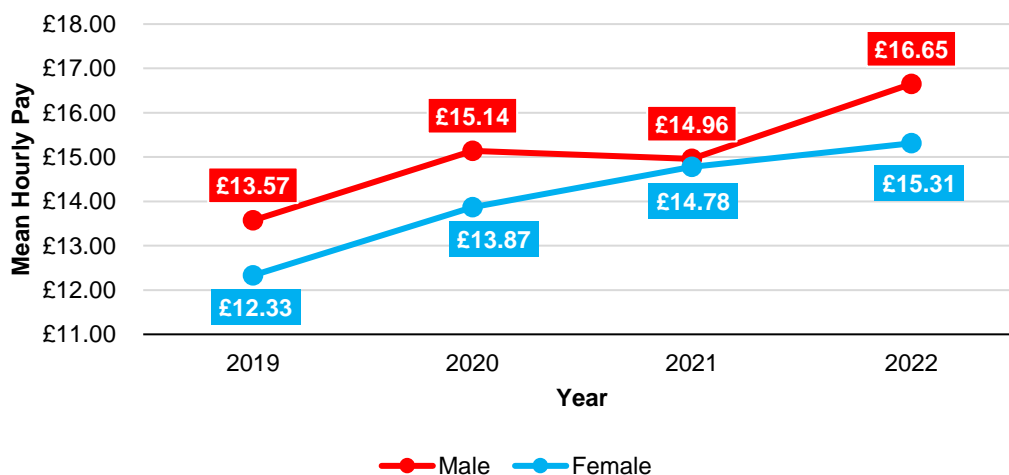
There has been a mean increase in hourly pay for both genders compared to 2021. Males were paid £1.69 more (£16.65 compared to £14.96 in 2021), while females were paid £0.53 more (£15.31 compared to £14.78 in 2021).

Figure 2: Mean Pay Gap (as of 5th April, 2022)



Gender	2019	2020	2021	2022
Male	£13.57	£15.14	£14.96	£16.65
Female	£12.33	£13.87	£14.78	£15.31

Figure 3: Year on Year Mean Hourly Pay

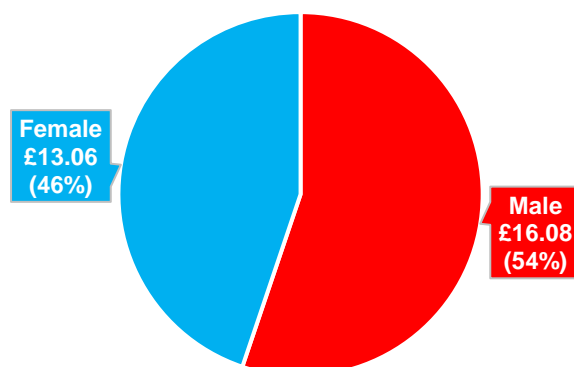


Median

Males at Connexus were paid a median difference of £3.02 more than females in hourly pay. This is a difference of 18.8% and is £2.18 more than our previous year's reported gap (£0.84). Our Median Pay Gap of 18.8% is significantly higher than our median gap of 7.8% in 2021. Previous years saw a median gap of 14.2% in 2020 and 7.3% in 2019.

There have been median increases in hourly pay for both genders compared to 2021. Males were paid £2.34 more (£16.08 in 2022 compared to £13.74 in 2021), while females were paid £0.39 more (£13.74 in 2022 compared to £12.67 in 2021) – a difference of £2.73 in pay increase between genders.

Figure 3: Median Pay Gap (as of 5th April, 2022)

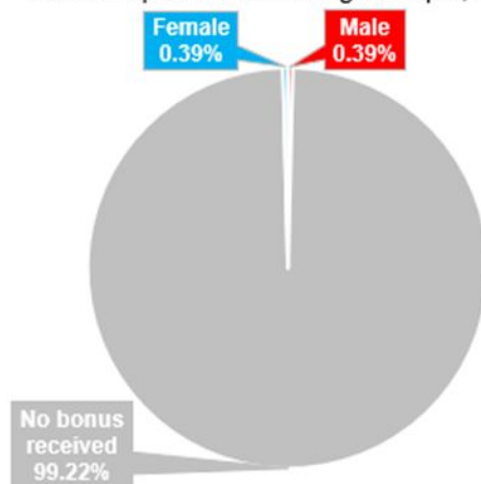


Gender	Median Hourly Pay
Male	£16.08
Female	£13.06

Mean and Median Bonus Pay Gaps

During the period, 0.78% of colleagues received a bonus payment. This was comprised of an equal number of two males and two females, with 99.22% of the remaining workforce receiving no bonus. NB: these were delayed bonuses – bonuses were removed as a result of the terms and conditions review from January 2020.

Figure 4: Percentage Receiving Bonus Pay (in the 12 months up to and including 5th April, 2022)

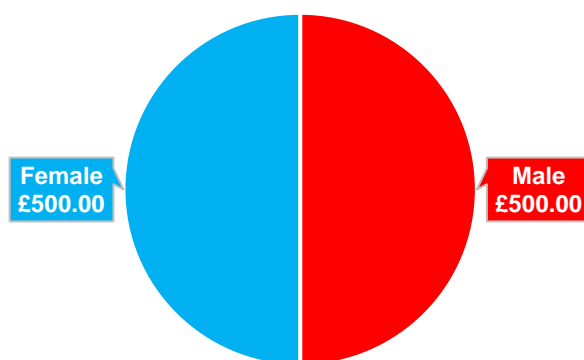


Two males receiving bonuses relative to the number of males employed by Connexus means a percentage of 0.72%, while two females receiving bonuses relative to the number of females employed by Connexus means a percentage of 0.87%.

Gender	Receiving Bonus Pay
Male	0.72%
Female	0.87%

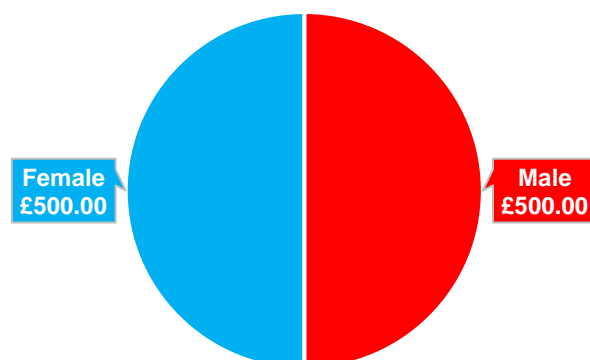
Bonus Males and females were paid equal amounts in bonus pay, as in 2021. The mean average bonus pay for both male and female colleagues was £500.00.

Figure 5: Mean Bonus Pay
(in the 12 months up to and including 5th April, 2022)



Gender	Mean Bonus Pay
Male	£500.00
Female	£500.00

Figure 6: Median Bonus Pay
(in the 12 months up to and including 5th April, 2022)



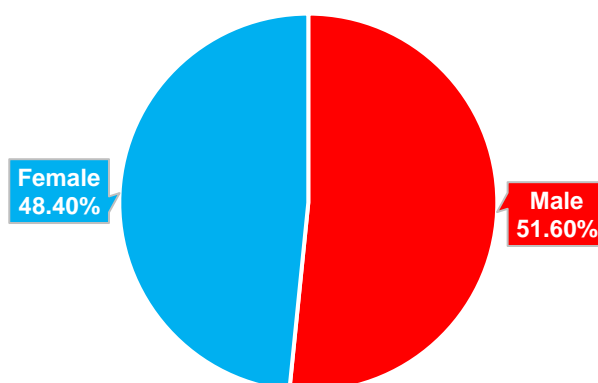
Gender	Median Bonus Pay
Male	£500.00
Female	£500.00

Pay Quartiles by Gender

Our Lower Quartile range of hourly pay is £0.54 to £12.03 based on a full time equivalent. NB: this is skewed by our Mobile Responders service and zero hours contracts. Connexus adhered to the government standards of apprentice and National Living/Minimum wage. During June 2021, Connexus moved to paying the Real Living Wage across the organisation.

Of colleagues in the lower pay quartile, 51.6% were male and 48.4% were female, or a difference of 3.2%. The ratio of males in the lower quartile has increased in the last two years from 36.0% in 2020 and 50.8% in 2021. Females in the lower quartile also continue to decrease from 64.0% in 2020 to 49.2% in 2021.

Figure 7: Lower Quartile Ratio (as of 5th April, 2022)

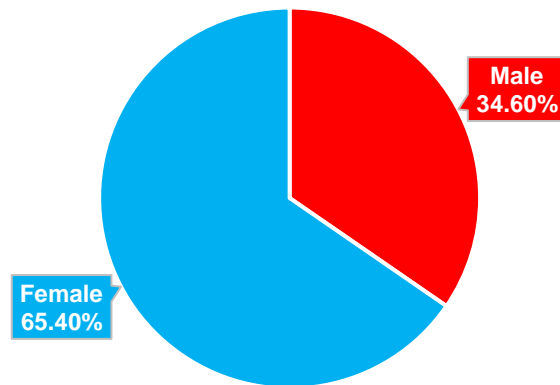


Gender	Lower Quartile Ratio
Male	51.60%
Female	48.40%

Our Lower Middle Quartile range of hourly pay is £12.03 to £15.22.

Of colleagues in the lower middle pay quartile, 65.4% were female and 34.6% were male, or a difference of 30.8%. In 2021, there were 8.2% more males than females in the lower middle quartile (54.1% male and 45.9% female).

Figure 8: Lower Middle Quartile Ratio
(as of 5th April, 2022)

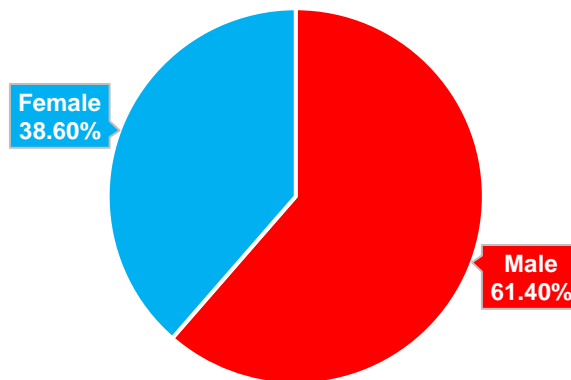


Gender	Lower Middle Quartile Ratio
Male	34.60%
Female	65.40%

Our Upper Middle Quartile range of hourly pay is £15.22 to £18.23.

Of colleagues in the upper middle pay quartile there were 61.4% males and 38.6% females, or a difference of 22.8%. This is 2.4% more than in 2021 (males 59.0%, females 41.0%).

Figure 9: Upper Middle Quartile Ratio (as of 5th April, 2022)

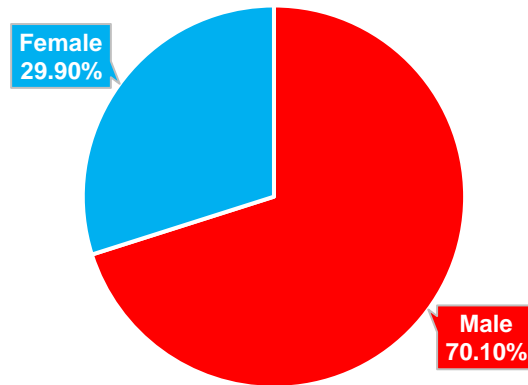


Gender	Upper Middle Quartile Ratio
Male	61.40%
Female	38.60%

Our Upper Quartile range of hourly pay is £18.23 to £77.87.

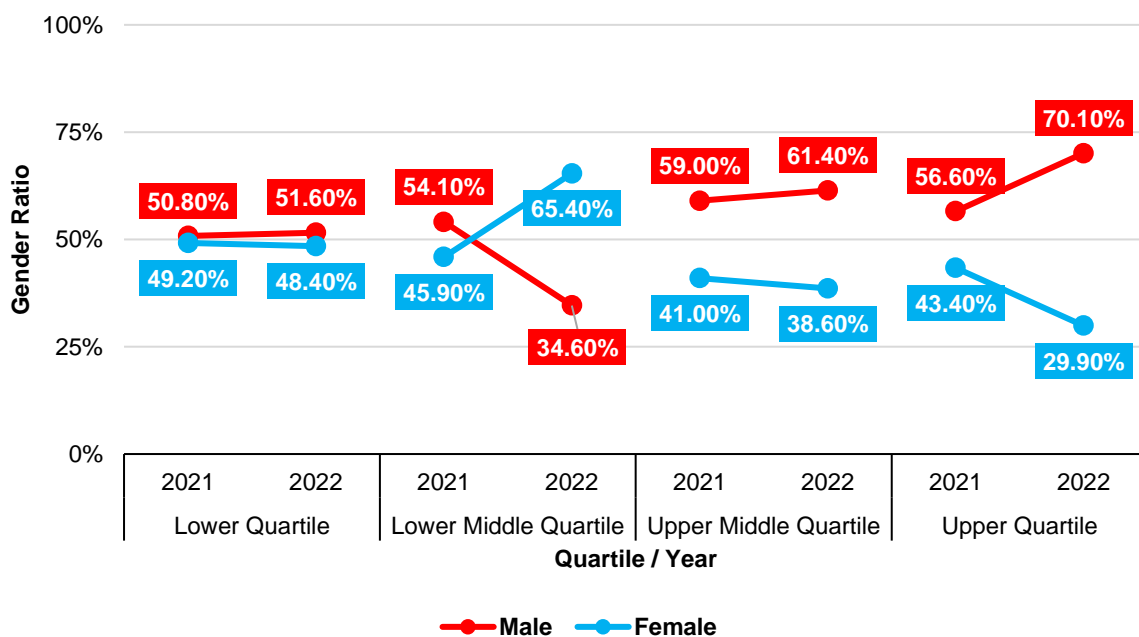
Of colleagues in the upper pay quartile there were 70.10% males and 29.90% females, or a difference of 40.2%. This means the gap has increased from the 2021 ratio of 13.2% (males 56.6%, females 43.4%).

Figure 10: Upper Quartile Ratio (as of 5th April, 2022)



Gender	Upper Quartile Ratio
Male	70.10%
Female	29.90%

Figure 11: Year-on-Year Quartile Comparison



Understanding and Closing Our Gender Pay Gap

In order to understand the data in more detail, it is important to understand the key functionality of Connexus and our demographics.

Connexus is a not-for-profit organisation and consists of a Board, committee members, a chief executive, directors and a variety of colleagues with wide ranging professions and skill sets. We are a Housing Association based in rural Herefordshire and Shropshire and have central support teams, housing teams, wellbeing support, and a large number of trades/assets colleagues. Trades colleagues make up 38.16% of the total workforce, with 91.1% of trades colleagues being male. There was a need to respond to recruitment challenges and market forces during the 2021, which meant that trade roles were benchmarked earlier than planned

and has triggered an increase in the gender pay gap, more prevalent because the majority of trade colleagues are male. The rest of the organisation was benchmarked later in 2022 and we therefore expect to see a decrease in the gap next year.

Unemployment in our rural counties is at a year-on-year low, which is also the case in many rural locations across Great Britain. We are still at a greater rate of overall employment than in the West Midlands and Great Britain generally.^{1,2} Connexus operates in demographic areas where there were limited rates of people available for work aged between 16 and 64, and, as a result of Brexit, predictions are that some trade and construction skills sets will only become harder to recruit.³ Forecasts, predict construction output levels will return to pre-Covid levels during 2022, requiring the construction sector to recruit an extra 217,000 workers by 2025 with West Midlands set to lead demand.⁴ Data available for August 2022 shows construction output was 3.2%, above the pre-coronavirus levels along with repair and maintenance work at 10.6%.⁵ With construction job openings increasing by 50% since 2014, while the number of new hires sits at 14%.⁶

Connexus promotes flexible and part-time working options in many roles to support us to recruit and retain the best talent. Hybrid working is promoted in new and existing roles to further promote flexible approaches and different ways of working to meet customer and business need.⁷

At Connexus, we recognise the importance of having the right colleagues in the right roles with fair and equitable reward packages. We endeavour to reduce the gender pay gap and see greater diversity at all levels. In 2021 we have done the following;

- Widened our approach to benchmarking to enable consideration of market forces beyond the housing sector
- Reviewed our approach to starting salaries
- Reviewed our Remuneration and Pay Policy
- Proactively benchmarked specific roles
- Undertaken proactive recruitment
- Offered flexible working / working differently / being creative in our role creation
- Maintained and developed technologies to support different ways of working across Connexus and our regions / geography
- Continued commitment to the apprenticeship offer and have increased the pay
- Continued commitment to colleague development
- Developed a new Equality, Diversity and Inclusion Policy and Plan
- Increased pay to Real Living Wage

We are continuing to follow actions set out in our People Strategy and are committed to greater diversity at all levels.

Declaration

The calculations in this report have been carried out in line with The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.

References

¹ <https://www.nomisweb.co.uk/reports/lmp/la/1946157169/report.aspx>

² <https://www.nomisweb.co.uk/reports/lmp/la/1946157170/report.aspx>

³ <https://www.citb.co.uk/about-citb/construction-industry-research-reports/search-our-construction-industry-research-reports/forecasts/csn-forecasts-2019-2023-uk/>

⁴ <https://www.politicshome.com/members/article/ciob-responds-to-citb-construction-output-forecast>

⁵ [Construction output in Great Britain - Office for National Statistics](#)

⁶ [Key trends in the construction industry for 2022 — Method](#)

⁷ <https://connexus-group.co.uk/documents>