This report covers the statutory gender pay reporting for the Law Society Group. The report details the combined results of the Law Society and Solicitors Regulation Authority (SRA), which are one legal entity but operate independently. The Law Society is the professional membership body for solicitors in England and Wales. The SRA is the regulatory body for solicitors in England and Wales.

At a glance – our 2019 gender pay gap

The gender pay gap is defined as the difference between the mean or median hourly pay rate that female and male staff receive.

The mean pay gap is the difference between hourly earnings for male and female staff, taking the sum of all hourly rates divided by the total number of male or female staff in the sample.

The median pay gap is the difference between the midpoints in the ranges of hourly earnings between male and female staff. It takes all salaries in the sample, in order from lowest to highest, and picks the middle-most salary.

These figures provided in the charts below are based on hourly rates of pay during the monthly pay period ending on 25 April 2019 and bonuses paid in the year up to 5 April 2019. The figures are compared to our 2018 Gender Pay Gap Report.

Difference in pay between males and females

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>+/- percentage point change 2018-19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean pay gap</td>
<td>12.7%</td>
<td>10.6%</td>
<td>-2.1</td>
</tr>
<tr>
<td>Median pay gap</td>
<td>9%</td>
<td>8.3%</td>
<td>-0.7</td>
</tr>
</tbody>
</table>

The 2019 mean and median gender pay gap has improved compared to 2018.

Difference in bonus pay between males and females

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>+/- percentage point change 2018-19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean bonus gap</td>
<td>34.4%</td>
<td>12.8%</td>
<td>-21.6</td>
</tr>
<tr>
<td>Median bonus gap</td>
<td>13.9%</td>
<td>0%</td>
<td>-13.9</td>
</tr>
</tbody>
</table>

In 2019, both the mean and median bonus gap has improved considerably compared to 2018. We are pleased to report no median bonus gap in 2019.
In 2019, the SRA ended the performance related bonus scheme for the majority of roles and instead staff received a one-off flat rate bonus. The Law Society staff continued to receive a performance related bonus. The change to bonus payments contributed to an improvement in the bonus gap in 2019.
Proportion of male and female staff in each pay quartile

2019 Pay Quartiles

- **Lower Quartile**
  - Male: 33%
  - Female: 67%

- **Lower Middle Quartile**
  - Male: 37%
  - Female: 63%

- **Upper Middle Quartile**
  - Male: 56%
  - Female: 44%

- **Top Quartile**
  - Male: 58%
  - Female: 42%

2018 Pay Quartiles

- **Lower Quartile**
  - Male: 35%
  - Female: 65%

- **Lower Middle Quartile**
  - Male: 36%
  - Female: 64%

- **Upper Middle Quartile**
  - Male: 56%
  - Female: 44%

- **Top Quartile**
  - Male: 52%
  - Female: 48%

The charts show the gender split when we divide our workforce by ordering hourly rates of pay from highest to lowest and grouping the pay into four equal quartiles.

Approximately 60% of our workforce is female and, as the 2019 pay quartile chart demonstrates, females continue to be well represented across all pay quartiles.

There is however still more work to be done to shift the imbalance of females from the lower quartiles to the upper and top quartiles to reflect the gender split across the Group.
Understanding the gap

Our 2019 median pay gap is 8.3%, which once again is substantially lower than the current UK median pay gap of 17.3% (Office of National Statistics 2019).

Although 2019 saw another female executive director join, we continue to see an imbalance of male and female staff in executive director roles across the Group, with fewer females in these roles. This is the main reason for our gender pay and bonus gap.

What we’ve achieved on gender pay

The Law Society and SRA have targeted action plans at an organisational level to address the gender pay gap. Below is a summary of some of the ongoing measures taking place to support addressing the gender pay gap:

- ongoing review of how we recruit, retain and promote females into senior roles
- ongoing review of our reward strategy that seeks to address any gender and other protected characteristic bias
- ongoing review of our policies, processes and practices to ensure an environment where everyone can flourish.

We are pleased to report a reduction to our gender pay gap in 2019 compared to 2018. This indicates that we are moving in the right direction. However, we are not complacent about the need to continue to take action to reduce our pay gap further. We continue to be committed to a fully inclusive workplace.

As required by the regulation, we confirm the data in this report is accurate.

Paul Tennant  
CEO, The Law Society

Paul Philip  
CEO, Solicitors Regulation Authority