The Law Society Group 2020 Gender Pay Gap Report

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 2020 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 female and male staff, taking the sum of all hourly rates divided by the total number of female or male staff in the sample.

The median pay gap is the difference between the midpoints in the ranges of hourly earnings between female and male 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 2020 and bonuses paid in the year up to 5 April 2020. The figures are compared to our 2019 and 2018 results.

Difference in pay between female and male staff

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<thead>
<tr>
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<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>+/- percentage point change 2019-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean pay gap</td>
<td>12.7%</td>
<td>10.6%</td>
<td>13%</td>
<td>+2.4%</td>
</tr>
<tr>
<td>Median pay gap</td>
<td>9%</td>
<td>8.3%</td>
<td>11.8%</td>
<td>+3.5%</td>
</tr>
</tbody>
</table>

The 2020 mean and median gender pay gap has increased compared to 2019.

Difference in bonus pay between males and females

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>+/- percentage point change 2019-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean bonus gap</td>
<td>34.4%</td>
<td>12.8%</td>
<td>24.1%</td>
<td>+11.3%</td>
</tr>
<tr>
<td>Median bonus gap</td>
<td>13.9%</td>
<td>0%</td>
<td>5.6%</td>
<td>+5.6%</td>
</tr>
</tbody>
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In 2020, both the mean and median bonus gap has increased compared to 2019.
There are different bonus schemes operating throughout the Law Society Group. Variation in bonus percentage and a small number of outliers have contributed to an increase in the bonus gap, albeit the gender balance of staff across the Group receiving a bonus has improved.
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 62 percent of our workforce is female and, as the 2020 pay quartile chart demonstrates, females continue to be well represented across all pay quartiles.

There is however more work to be done to ensure the gender balance in the upper middle and top quartiles better reflects the gender split in the rest of the group.
Understanding the gap

Our 2020 median pay gap is 11.8 percent, which once again is lower than the current UK median pay gap of 15.5 percent (Office of National Statistics 2020). As a Group, the increase in the median from last year is predominantly caused by a shift in percentage between female and male in the lower middle quartile.

Vacancies in senior management meant that in 2020 another two female Executive Directors and another male Executive Director joined, increasing the number of females in Executive Director roles across the group. Due to joining dates the new Executive Directors did not qualify for a bonus. This, and a difference in bonus percentage across the various schemes and a small number of outliers, who are male, are the main reasons for our bonus gap.

What we’ve achieved on gender pay

The Law Society and SRA are committed to reducing the gender pay gap. Below is a summary of some of the ongoing measures taking place to address the gender pay gap:

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

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