
Slater and Gordon | **Gender Pay Gap Report 2020**

What Is the Gender Pay Gap?

The gender pay gap shows the difference in the average pay between all men and women in a workforce, irrespective of their role and level in the organisation. It is not the same as equal pay. Equal pay deals with the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value. It is unlawful to pay people unequally because of their gender.

A gender pay gap will arise where a company has more men in senior or higher paid positions and more women in lower paid roles. The national average gender pay gap is 15.5%, according to the Office for National Statistics (ONS).

How is it calculated?

The gender pay gap is the difference between the mean or median hourly rate that men and women receive. The mean (or average) is the sum of all hourly rates divided by the number of relevant employees. The median is the middle figure when the hourly rates of all employees are listed in ascending order. For the purposes of reporting, only 'full-pay relevant employees' should be counted. Pay data relating to employees on 'leave' – which includes annual leave; maternity, paternity, adoption, parental and shared parental leave; sick leave; and special leave are not included in this report.

MEDIAN AND MEAN PAY EXPLAINED

Median Mid point



Mean average



Our approach to gender diversity

At Slater and Gordon, we are committed to improving gender representation at all levels of our organisation for the long term as part of our wider Diversity & Inclusion programme.

Since our last gender pay gap report, the Covid-19 pandemic has had a significant impact on the way we work and the needs and preferences of our teams.

Our commitment to tackling the gender pay gap starts with our investment in people at all stages of their careers. As part of our 2020 promotions programme, we were delighted to confirm 24 promotions, the majority of whom were women. Additionally, we were pleased to appoint our largest ever cohort of trainee solicitors in 2021, the majority of whom are also women. We look forward to watching their careers develop over the coming years.

You can read more about some of the specific initiatives we have in place to continue to improve gender diversity at the end of this report.

Gender pay gap (2019/2020)

April 2019 – April 2020 was a period of fast-paced change within Slater and Gordon as we restructured and changed the way that many parts of our business worked. We also implemented an incentive scheme, which provided transparency and consistency across the Group.

For the 2019/20 period, we have calculated our Gender Pay Gap (GPG) as a combined total which takes into account SGL, Motor and Mobile Doctors as at the snapshot date (i.e. 5th April 2020). Both Motor and Mobile Doctors have a headcount of less than 250 staff each and we have therefore not reported on these groups separately.

In order to provide context, the previous years' results have also been included.

	2018-19	2019-20
Mean pay gap	20.0%	20.1%
Median pay gap	18.5%	19.6%

As evidenced in the results above, our combined mean pay gap sits at 20.1%, an increase of 0.1% on the previous year, and our combined median at 19.6%, 1.1% up on last year. These figures cover a variety of roles within Slater and Gordon. However, it is important to note that this data does not provide context around the drivers behind the data. This will be explained throughout this report.

Our bonus gap for 2019–2020:

This difference in the bonus pay gap can be attributed to changes to our bonus payment framework from a mid-year period to an end of year period. As such, the bonus payments captured as part of this data include 2 separate bonuses paid to all fee earners - one for the 12-month period between July 2018 - June 2019 and a 6-month period covering July 2019 - December 2019 - and an 18 month bonus paid to eligible non fee earning colleagues covering July 2018 - December 2019.

The bonuses paid were also in line with our previous bonus schemes, incorporating some 14 different schemes which were largely discretionary depending on the area of the business. These have since been replaced by a new Group-wide incentive plan. We believe that the new plan rewards all our colleagues fairly and consistently based on their individual performance and contribution to the business, whereas the previous schemes were based on legacy terms, where similar levels of performance and effort could result in very different bonus payment levels.

Our combined mean shows an increase of 13% from last year, and the median gap has risen by 11.8%. This accounts for a larger percentage of colleagues receiving a bonus payment across the Group during the relevant period.

The bonus and pay gap can also be linked to the pay quartile data, where the data shows a much larger population of female staff in lower quartile roles – as bonus payments tend to rise in magnitude as a percentage of salary for higher paid colleagues. We fully expect the new incentive scheme to narrow the gap through consistent rewards based on performance across all levels and areas of the business.

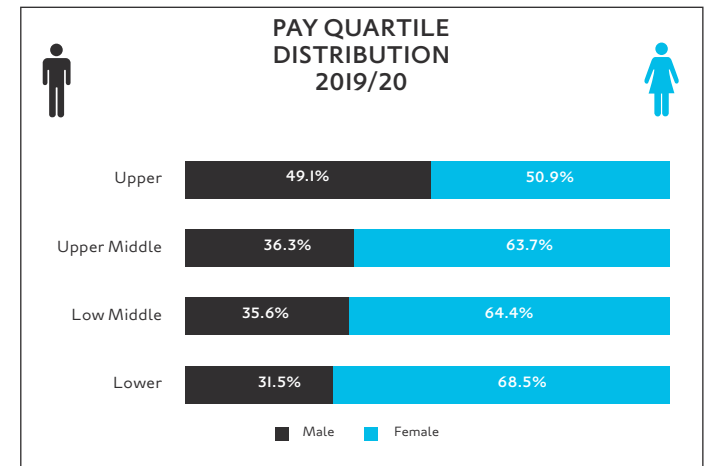
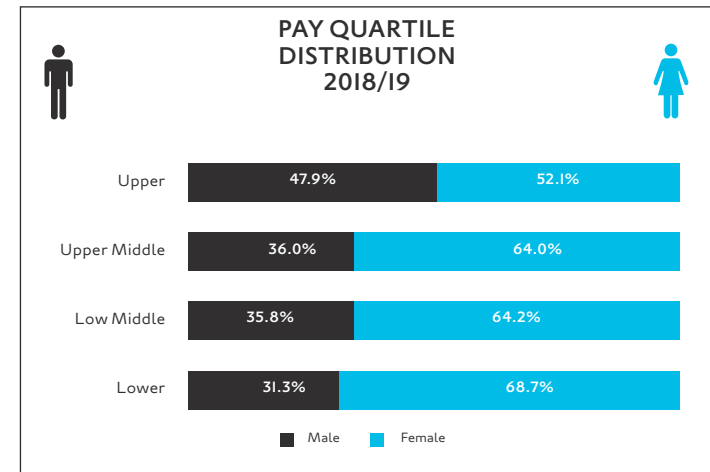
In addition, whilst we are not required to provide information regarding part time colleagues, this does provide further context to our results. Like many organisations, a higher proportion of our female population working part time will have an impact, particularly in regard to bonuses, due to bonus being based on a percentage of actual salary.

	2018-19	2019-20
Mean bonus gap	34.1%	47.1%
Median bonus gap	23.1%	34.9%
% Males Receiving bonus	38%	41.9%
% Females Receiving bonus	37.9%	38.6%

Pay Quartile Distribution

The tables show that we have more women than men in all pay quartiles of our organisation but a relatively higher proportion of men in the top quartile as compared to the lower three. This demonstrates that we are committed to a balanced workforce and to creating opportunities to progress within the business for all our colleagues.

At Slater and Gordon, we are confident of pay parity for both genders for equivalent roles across the business. We place a large focus each year on calibrating our salary and recruitment decisions to ensure objectivity and consistency across the business. We have concluded a job levelling process with an external benchmarking specialist to establish clear pay structures for each role which are taken into account in the annual pay review cycle. We also continue to benchmark our total reward packages both internally and with the external market.



Our inclusion and diversity activities

2021 has seen the launch of a number of initiatives that will continue to drive forward our work in ensuring Slater and Gordon is an inclusive place to work.

- We appointed our Diversity, Equality and Inclusion Business Partner this year, a new role dedicated to help progress our inclusion and diversity strategy and agenda.
- We continue to launch inclusive networks, such as our recently launched Multicultural Diversity and Social Mobility networks.
- We have also extended our relationships with external organisations to support our diversity and inclusion strategy, such as Inclusive Employers, InterLaw Diversity Forum, The Valuable 500 and 55 Redefined.
- We are in the process of the 2021 review and update of our HR policies to ensure they are gender neutral to enable and promote diversity and inclusion.

We recently introduced **Connected Working** which will formalise the way in which we are encouraging all our people to utilise the new technology the business has invested in to support both remote and collaborative working.

The aim will be to move to a fully agile, flexible and fair working environment. This will reduce our property and carbon footprints, allow colleagues to truly make time to live and encourage more diversity as we create job roles that can suit people from a wider range of lifestyles.

We have provided our teams with the latest Microsoft Surface devices and training so they can work productively and collaborate with colleagues and customers from anywhere.

In line with our commitment as part of the last GPG report, we also concluded unconscious bias training for all our people managers and those involved in recruitment. We plan to launch a mentoring scheme which will facilitate colleagues in senior positions within the business to mentor our employees to support their development and career progression.

Finally, we have career development and succession planning initiatives planned for 2021 which will allow colleagues from all areas of the business, not just the fee earning community, the opportunity to diversify their skillsets and complete further formal and informal training.