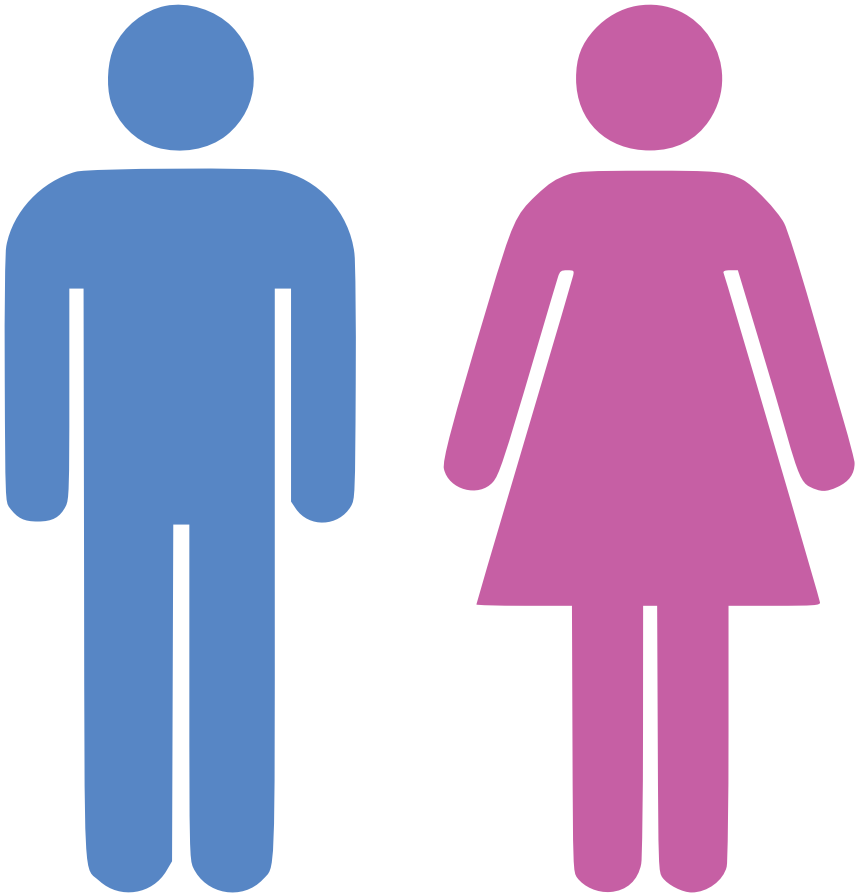


The gender pay gap

March 2019



Introduction

This is the second gender pay gap report from the firm, reflecting the data as at April 2018.

The gender pay gap is the difference between average hourly earnings for men and women in an organisation. It is calculated by looking at the mean and median hourly pay of men and women and is typically expressed as a percentage.

Gender pay gap reporting is not a comparison of men and women's salaries for doing the same job. That is equal pay and the two measures are very different things. Paying men and women differently for doing equal work is unlawful. We are committed to paying fairly and have remuneration and moderation processes in place to ensure men and women in the firm receive equal pay for equal work.

Here are some of the highlights from this year's report:

- Across the whole partnership the mean gender pay gap is 0.8% in favour of women.
- Across all fee-earning staff (excluding partners) there is a mean gender pay gap of 2.5% in favour of men.
- Across fee-earning staff (excluding partners) based in London there is a mean gender pay gap of 1.5% in favour of women.
- Across business support based outside London the mean gender pay gap is 7.4% in favour of women.

Gender pay gap analysis at Trowers & Hamlins

Overall there is a pay gap for the mean hourly earnings of all UK partners and employees of 25.5% and a median hourly pay gap of 38.1% in favour of men.







By law the firm is required to publish data for all employees but once again has taken to decision to publish partner data as part of our report for transparency.

If we were to exclude partners from this calculation, there is a pay gap for the mean hourly earnings of all UK partners and employees of 16.8% and a median hourly pay gap of 13.2% in favour of men, a modest decrease on the figures reported last year.

As before, It is only when breaking this information down for further analysis, that a greater understanding can be achieved.

Our partnership







As can be seen from the table below, we have no gender pay gap within the partnership, in fact the small gap that exists favours women. In a partnership that comprises over 40% female partners, this is a very encouraging result.

	Mean gender pay gap	Who earns more	Median gender pay gap	Who earns more
All partners	0.8%		5.9%	
Equity partners	4.5%		7.7%	
Non-equity partners	3.7%		3.3%	











UK fee-earners

When looking just at the results for fee-earners only (excluding partners) there is a pay gap of 2.5% in favour of men. In London the gap is slightly in favour of women. Outside London, the gap is influenced by the fact that we employ significantly more paralegal staff, the majority of whom are female and whose salary range is lower than that of a qualified solicitor. This demographic difference is the reason for the mean pay gap outside London as when we exclude this category of staff, the gender pay gap disappears.

Gender pay gap by region (excluding partners)

	Mean gender pay gap	Who earns more	Median gender pay gap	Who earns more
Fee earning staff all UK offices	2.5%		0.3%	
Fee earning staff London	1.5%		8.9%	
Fee-earning staff Birmingham, Exeter & Manchester	7.1%		2.3%	







Gender pay gap by role

	Mean gender pay gap	Who earns more	Median gender pay gap	Who earns more
Paralegal (All UK offices)	3.7%		1.0%	
Solicitor (All UK offices)	9.2%		54.8%	
Associate (All UK offices)	5.8%		21.7%	
Senior Associate (All UK offices)	0.4%		2.2%	
Partner (All UK offices)	0.8%		5.9%	

UK business services

When looking just at the figures for business services, the figures show a mean gender pay gap of 31.5% and a median gender pay gap of 21.1%. This is a reduction on the pay gap reported in 2018. It is important to bear in mind that the makeup of business services staff is diverse, ranging from junior clerical and admin staff in regional offices across the UK, to the Directors of the business services functions in London. This wide disparity of roles and locations produces a significant gender pay gap, with the vast majority of the junior admin, clerical and secretarial roles being performed by women.

We analysed the data further and broke it down between London and our regional UK offices. Outside of London, the gender pay gap favours women.

	Mean gender pay gap	Who earns more	Median gender pay gap	Who earns more
Business services (All offices)	31.5%		21.1%	
Business services (London)	27.7%		12.9%	
Business services (Birmingham, Exeter & Manchester)	7.4%		23.1%	

It is a different picture in London however, where the gender pay gap for business services, is again the highest in the firm. This remains a concern and whilst our intention is to work hard to improve these figures, we have to acknowledge that this is likely to take a number of years to achieve. To do so would require increasing the number of women recruited or progressing into senior business services roles in London, something that will take some time to achieve. Additionally, the recruitment of more males into the junior roles would also impact the figures and reduce the gap. Currently, 74.5% of the roles in the lowest pay quartile are performed by women, a figure only 3% lower than that reported last year.








Bonus pay gap analysis at Trowers & Hamlins

The bonus pay gap is the percentage difference between annual bonus payments made to women and men in an organisation. The overall mean bonus pay gap, again inclusive of partners, is 46.1% in favour of men and the median is 24.9% in favour of men. Again it's important to break the figures down further to gain a better understanding of what the figures show.

Partners and fee-earners in the UK







At partner level the bonus pay gap is in favour of men and this is entirely due to a greater proportion of female partners working part-time house.

Whilst a high percentage of both male and female fee earning staff receive bonus payments (81.7% and 89.5% respectively), again, a significant part of this difference is the fact that a far greater proportion of women than men work part-time hours. Whilst this has no impact upon salary differentials which are calculated on an hourly pay basis, it does impact upon bonus. 13.5% of fee-earning staff are part time employees of whom 94% are women and 6% are men.

	Mean gender bonus gap	Who earns more	Median gender bonus gap	Who earns more
All Partners (All UK offices)	8.2%		0%	
Fee earning staff (All UK offices)	34.2%		19.6%	
Fee earning staff (London)	33.7%		31.9%	
Fee-earning staff (Birmingham, Exeter & Manchester)	32.5%		21.1%	

Business services

The mean bonus pay gap is 62.3% and the median bonus gap is 19.2%. 92.4% of men and 92.5% of women received a bonus. The wide disparity of business service roles coupled with a far greater proportion of women than men working in part time business services roles, produces a larger bonus pay gap. 13% of our business services staff are part time employees of whom 95% are women and 5% are men.

	Mean gender bonus gap	Who earns more	Median gender bonus gap	Who earns more
Business services (all UK offices)	62.3%		19.2%	
Business services (London)	64.1%		23.1%	
Business services (Birmingham, Exeter & Manchester)	48.5%		43.6%	

Conclusion

In a sector that struggles to retain female talent at senior levels, we are rightfully proud that our partnership is made up of over 40% female partners.

There are many reasons for this, but in recent years the following has been put in place to ensure that we continue to attract women into the business and ensure that these women both stay in the business and have successful, well remunerated careers:

- Conduct a review into the reasons why women leave the business
- Improved planning, coaching and support for those on maternity leave to ensure they are able to keep in touch with the firm and ease their return to work
- Broaden flexible working options, both formal and informal, including the introduction of agile working across the firm
- Conduct equal pay reviews
- A commitment to paying fairly
- Confidence that we achieve equal pay for commensurate roles
- Appoint a number of female partners into key leadership roles
- The absence of a presenteeism culture
- A genuine and deep commitment to a diverse and inclusive working environment

We have plans in place to introduce the following in order to maximise the potential of all staff within the business:

- Mentoring opportunities for all, including secretarial and business services staff
- Return to work coaching and mentoring following career breaks, including, but not limited to maternity leave.

We can confirm the data reported is accurate.



Sara Bailey
Managing Partner

A handwritten signature in black ink that reads "Sara Bailey".



Paul Robinson
Director of Human Resources

A handwritten signature in black ink that reads "P. Robinson".



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