



Pay Gap Report

2019



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Foreword

At the time of writing this report in December 2019, we're in the midst of our celebrations marking the centenary of women being permitted to practice law. It's been fantastic to see law firms throughout the UK championing gender equality. There's been some great progress, but there's still work to be done.

As part of our own celebrations, we researched the history of our female employees since our establishment in 1912. We've gone from having our first female trainee solicitor in 1980, to 2019 where we have the largest percentage of female qualified solicitors out of any UK law firm.

As our firm has grown, we've progressed quickly on the gender equality front. I became our first female regional managing partner in 2012 and now 65% of our regional managing partners are women. In addition, 70% of our workforce, 42% of our partners and 30% of our Executive Board are female and we have one of the lowest gender pay gaps in the legal industry.

I'm proud that the profession I joined in 1980 is virtually unrecognisable in terms of the make-up and culture when it comes to gender equality. The focus on wellbeing and flexibility is helping transform the way women develop careers while maintaining a balance at home.

It's been an honour to lead our support and networking group for gender since 2018. We're working in collaboration with the rest of the business to further enhance our family policies, breaking down the barriers which prevent women of all different backgrounds from progressing and moving the dial when it comes to gender equality and caring responsibilities.

Our work isn't done yet, but the findings in this report and our strategic focus on supporting our people gives me hope that well within the next 100 years we will achieve parity.



Alison Eddy

Regional managing partner, London
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Gender Pay Gap Reporting

The government introduced gender pay gap reporting in 2017, which supports us in focussing on making positive changes through improved understanding of data and insight. This is our third report, and we're delighted that our mean gender pay gap is moving in the right direction with a decrease this year of 2.5%.

We regularly review our gender pay position, including during our annual pay review, to make sure that any decisions made that relate to the pay of our colleagues are consistent and fair.

Because we want to be transparent and highlight areas for improvement, we are again going above and beyond legal requirements by sharing our gender pay gap data for partners. While we monitor data internally, we don't report on our Group companies as they fall well below the 250 minimum employees required for mandatory pay gap reporting. When dealing with such small numbers of employees in pay gap reporting, small changes could skew the figures and not give an accurate portrayal of pay equality.

For 2019, we've also included high-level reporting on ethnicity. Whilst we have no obligation to report, we believe it's important to share any data that provides insight into our pay gaps, where we have enough information to do this. We are proud of the findings which are based on the 78% of our colleagues who have reported their ethnicity.

Our mean ethnicity pay gap is favourable to Black, Asian & Minority Ethnic (BAME) colleagues at -2.3%.

This low gap goes to show that as an organisation, we have balance across pay and opportunity for all colleagues regardless of ethnicity. We're also delighted that 78% of our colleagues (around 2,100) felt comfortable sharing their ethnicity data which allows us to report based on a large dataset.

Women at Irwin Mitchell

Across the business, 70% of colleagues are women, and we're proud that we have significant representation of women in senior roles. For example, 42% of our partners, 65% of our regional managing partners and 30% of our Executive Board are women. According to The Lawyers Top UK 200 we are the exception when it comes to large law firms, where there's a tendency to employ more males. We have the highest percentage of female solicitors (65%) within the UK legal profession and are in the top 10 for percentage of female partners.

We're committed to ensuring we continue to build on this, in support of the great opportunities women have to develop and progress with us. This commitment was reinforced in 2019 with 77% of our partner promotions being women.

2019 figures

We have seen a decrease of 2.5% in our mean pay gap from the 2018 reporting of 12.8% to 10.3% in 2019. This is significantly lower than last year's average gap in the Top 50 law firms, which was 19.5%.

Our bonus schemes also reward colleagues for their contribution. In 2019 we have seen a narrowing of the gap (by 5.5%) between the number of men and women receiving a bonus.

We're mindful that year-on-year changes in our pay and bonus gaps are likely to continue to be fairly small, as any changes can take some time to see any impact.

What has caused our gap?

The main contributing factors for any gender pay gaps are due to the demographic of our colleague population, this includes:

- The higher numbers of women in our less senior, volume roles including paralegals, document production operators, filing clerks and call centre roles. This impacts our mean pay gap
- The introduction of a number of pay frameworks, which impacted roles including paralegals, where for example a higher proportion of male paralegals working in London saw higher pay increases due to their salary being below the framework pay level. This has impacted our median pay gap
- More women than men have selected benefits such as buying holiday, which operates using salary sacrifice and so impacts the hourly rate used for the reporting. For example, of the 500 colleagues who bought holiday in the reference period, 80% were women
- 91% of our part-time colleagues are women. This impacts our bonus gap because our bonuses are based on a percentage of employee's actual salary, which will be lower for part time workers in comparison to full time employees.

What have we done since 2018?

In our 2018 report we talked about the great progress we were making to support development and diversity. This included our emphasis on flexible working, unconscious bias training, our leadership programme and associate development programmes. We also have our internal networking and support group which focuses on gender equality within the organisation and wider legal profession. In 2019 we've continued to build on these foundations.

Wellbeing

2019 has seen a significant focus on our wellbeing agenda. Whilst this supports both men and women, as a group we recognise that with a predominance of women in our organisation we strive to ensure they are supported in all aspects of their lives. This helps us create a supportive workplace with wellbeing at its centre. This initiative has included:

- Launching a wellbeing intranet hub, which is now one of the most visited areas on the Group's intranet site
- Promoting flexible and agile working, with 168 females and 21 males having changed their working patterns in the relevant year
- Training 100 colleagues through Mental Health First Aid England as Healthy Minds Advocates
- Training 244 managers to be aware of and support mental health within their teams
- Introducing a Digital GP service for all colleagues to support people in managing their lives. This also allows colleagues to use this for their dependent children.

Family life

70% of our population are women and so we also took the opportunity to introduce two groups that focussed on support for colleagues:

- Modern Life promotes flexible working policies and provides support for colleagues on returning to work after maternity leave, family planning, fertility treatment, miscarriage and caring responsibilities
- Our New Parents group offers parents and carers the opportunity to share their experiences. We have external speakers joining to offer advice and support, including, for example, a work/life balance counsellor.

Promotions

We continue to develop our talent from within, and across our Partners, Associates and Senior Associates in this reporting period, 63% of promotees were female (65 colleagues). This is testament to our longstanding commitment to diversity and inclusion, as well as our open and fair route for promotion.

In 2019 we launched our inclusive leadership development programme for underrepresented leaders. Colleagues who identified with one or more diverse characteristics were invited to apply to take part. The purpose of the course was to help us develop a more diverse talent pipeline to ensure we have a better mix and balance of future leaders. The hope is that in the long term, this will have a positive impact on our gender balance as we support and encourage more women into senior roles; academics from the University of Wolverhampton are measuring the impact of the project.

Recruitment

We've recruited more men during the reporting period into administration and apprentice roles than previous years. This has contributed towards the reduction in the mean pay gap.

We've also taken steps to ensure that all our job listings are gender diverse, using software to test, challenge and then revise any adverts that may otherwise inadvertently be more attractive to one gender over other gender identities.

In early careers (graduates), we continue to blind screen all applications, to ensure we guard against unconscious bias, and have adapted our training contract application to accommodate a range of diverse applicants. We're also working with over 70 university societies including disabled, LGBTQ+ and BAME networks to create links to support students from these groups in entering a career in law.

Diversity and inclusion

We have a number of initiatives to support us in building a diverse workplace:

- **Diversity board** – which oversees practical implementation and continued development of our diversity strategy
- **Aspiring** – to support people from less advantaged backgrounds with social mobility, providing 40 high quality work placements during the course of the year
- **Respect** – we celebrate multiculturalism and raise awareness of the importance of respecting colleagues, clients and our wider communities regardless of their cultural or ethnic differences
- **Able** – supporting colleagues living with mental or physical disabilities or caring for a family member
- **Equal** – making sure that everyone is treated fairly regardless of their sexual orientation or gender identity.

For 2019, we're delighted to have seen a decrease in our mean pay gap. We'll continue to focus on narrowing the gap wherever possible.

As this is our first year including ethnicity pay gap details, we'll build on this over the next year and continue to promote consistent practice across all areas.

We'll continue to demonstrate to our colleagues that we value them for who they are, and what they bring to the organisation – a key part of our DNA.

Our Statutory Numbers



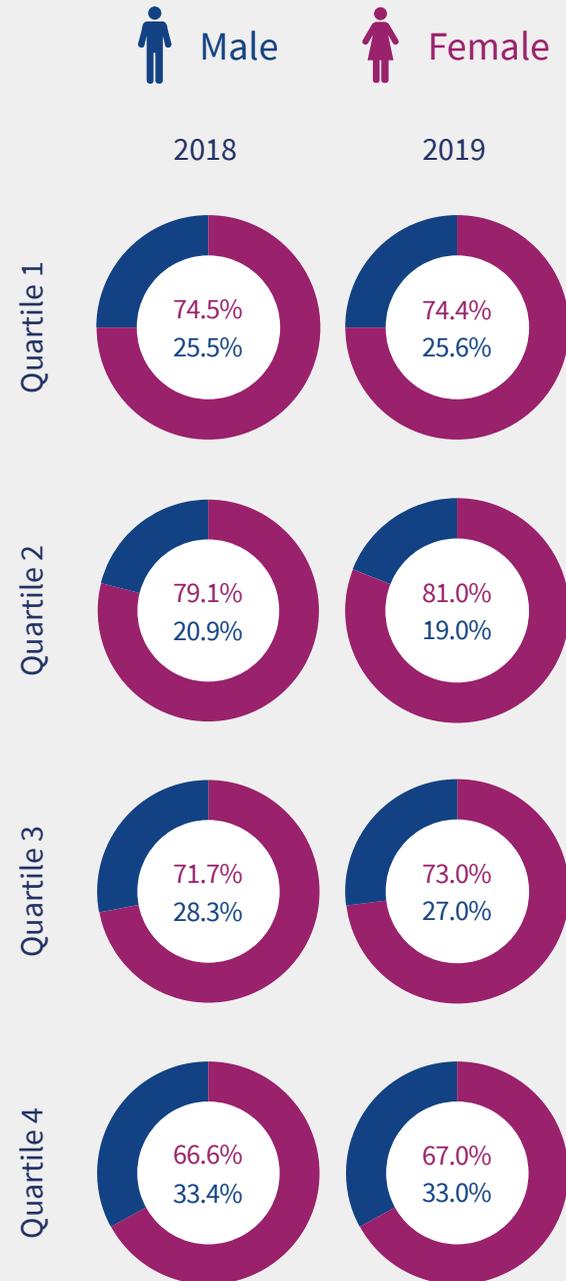
Employee Gender Pay Gap

	Mean	Median
2019 pay gap	10.3%	17.9%
2018 pay gap	12.8%	12.0%

- Our mean gender pay gap is 10.3%
 - This is 2.5% lower than our 2018 figure
 - This is lower than last year's average gender pay gap across the Top 50 UK Law Firms (*Legal Week, April 2019), which stood at 19.5%.
- Our median gender pay gap is 17.9%
 - This is 5.9% higher than our 2018 figure, which is impacted by our paralegal population as referenced earlier in the report
 - This is lower than last year's average across the Top 50 UK Law Firms (*Legal Week, April 2019), which stood at 27.1%.

Hourly Pay Quartiles

As shown below, the percentage of men and women in each quartile is broadly consistent with the make-up of our organisation (with 70% being women). The percentage of women in the 2nd and 3rd quartiles has increased since 2018, showing positive movement.



This shows the gender distribution when colleagues are placed in four equally sized quartiles based on pay.

Employee Bonus Gap

	Mean	Median
2019 bonus gap	25.7%	32.1%
2018 bonus gap	31.9%	38.3%

This has been calculated using bonus amounts paid, and so is influenced by the number of women who work part time as they receive a pro-rated bonus based on their working pattern; 91% of our part-time colleagues are women.

Proportion of men and women who were paid a bonus in the 12 months ending 5 April 2019:

	2019	2018
Men	59.7%	52%
Women	58.2%	56%

Fixed Share Member (FSM) Gender Pay Gap



FSM Gender Ratio

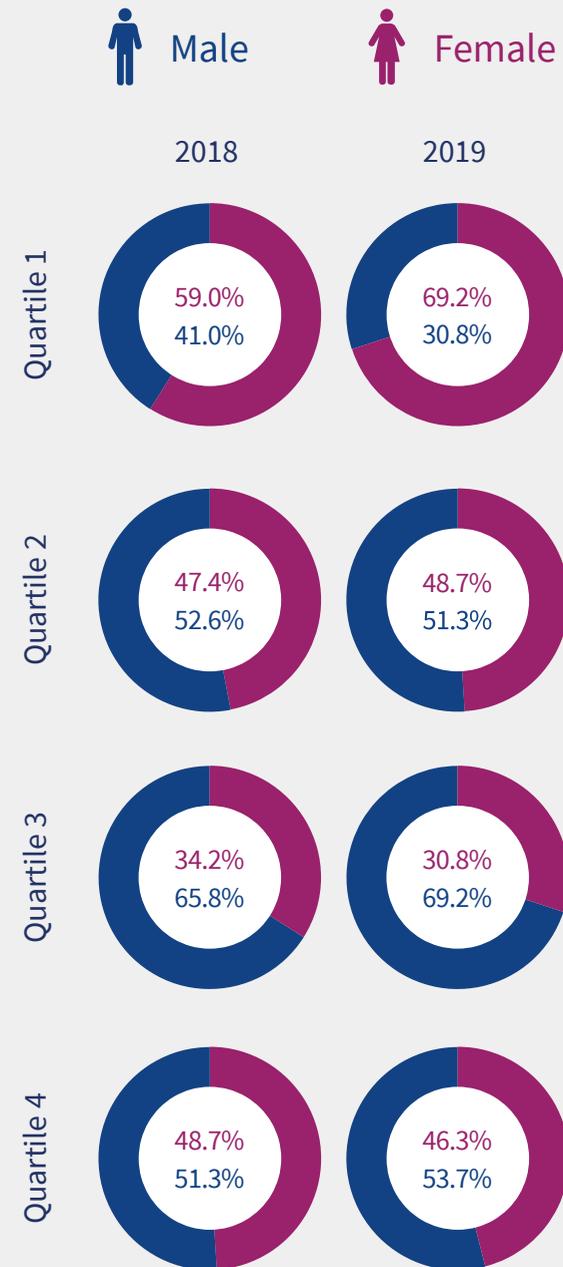
	Mean	Median
2019 Pay Gap	7.1%	13.8%
2018 Pay Gap	5.5%	8.8%

- Our mean gender pay gap is 7.1%
 - This is 2.6% higher than our 2018 figure
- Our median gender pay gap is 13.8%
 - This is 5% higher than our 2018 figure.

As this is a relatively small population (with 163 FSMs at the reporting date) these increases are impacted by relatively small variations, including any changes caused by starters and leavers. Whilst it's positive that a high proportion (86%) of promoted FSMs are female, the level of pay of any new promotee (regardless of gender) is typically in the lower quartiles and so this impacts both the mean and median.

Hourly Pay Quartiles

Quartiles two and four continue to be closer to the overall gender distribution, and quartiles one and three have the larger gaps. We continue to monitor our recruitment practice, promotions, and any pay changes, to ensure we are fair and consistent in our approach.



This shows the gender distribution when colleagues are placed in four equally sized quartiles based on pay.

FSM Bonus Gap

	Mean	Median
2019 bonus gap	9.0%	16.2%
2018 bonus gap	8.8%	5.5%

This has been calculated using bonus amounts paid. As referenced above, the higher proportion of female promotees has impacted the median bonus gap.

Proportion of men and women who were paid a bonus in the 12 months ending 5 April 2019:

	2019	2018
Men	79.0%	78.0%
Women	81.7%	79.0%



It is a privilege to have the opportunity to work directly with and learn from so many inspirational women, many of whom are leaders in their respective practice areas.

Lily Pidge
Trainee solicitor

Fixed Equity Member (FEM) Gender Pay Gap



FEM Gender Ratio

	Mean	Median
2019 pay gap	13.6%	18.4%
2018 pay gap	6.2%	10.8%

- Our mean gender pay gap is 13.6%
 - This is 7.4% higher than our 2018 figure.
- Our median gender pay gap is 18.4%
 - This is 7.6% higher than our 2018 figure.

As this is a relatively small population (with 76 FEMs at the reporting date) these increases are impacted by relatively small variations, including any changes caused by starters and leavers. Whilst it's positive that a high proportion (67%) of promoted FEMs are female, the level of pay of any newly promoted FEM (regardless of gender) is typically in the lower quartiles and so this impacts both the mean and median.

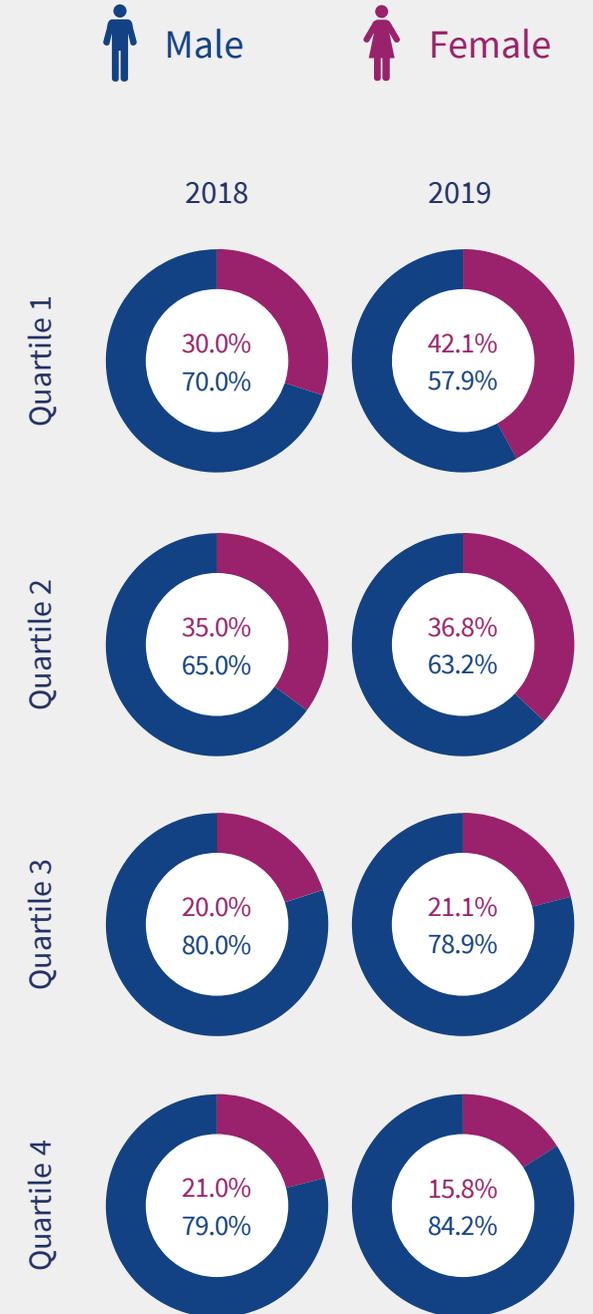


We are lucky at Irwin Mitchell to be given the opportunity to work on high quality work whilst surrounded by so many inspiring women; encouraging us and pushing us to go further.

James Clarke
Events coordinator

Hourly pay quartiles

Quartile two is closer to the overall gender distribution, with larger gaps across the other quartiles. We'll continue to monitor the way we recruit our promotions and any pay changes, to ensure we're fair and consistent in our approach.



This shows the gender distribution when colleagues are placed in four equally sized quartiles based on pay.

Ethnicity Pay



Voluntary Report

Initial findings

This is the first year that we've reported on our ethnicity pay gap, and we're reporting on a voluntary basis. 78% of our colleagues have recorded their ethnicity. We're encouraged that a high proportion of our colleagues are comfortable sharing ethnicity information. We'll look to encourage everyone to provide relevant information to improve on the information shared.

Based on all colleagues who reported, our mean ethnicity pay gap is favourable to BAME employees at -2.3%. This very low gap goes to show that as an organisation, we have balance across pay and opportunity for all, regardless of ethnicity.

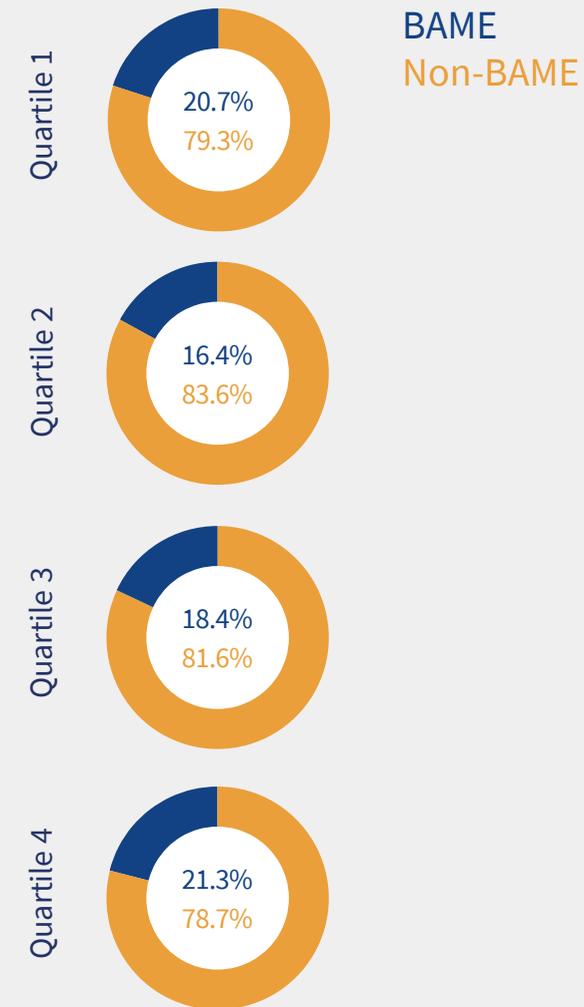
Ethnicity Pay Gap

Of the 78% of our colleagues that reported on their ethnicity, 15% identified with being BAME.

	Mean	Median
2019 pay gap	-2.3%	1.42%

Hourly Pay Quartiles

As shown below, the percentage of people in each quartile in 2019 is broadly consistent with the make-up of our organisation (with 15% identifying with BAME).



This shows the ethnicity distribution when colleagues are placed in four equally sized quartiles based on pay.

Ethnicity Bonus Gap

	Mean	Median
2019 bonus gap	-15.1%	-17.3%

This has been calculated using bonus amounts paid.

Proportion of non-BAME and BAME who were paid a bonus in the 12 months ending 5 April 2019:

	2019
Non-BAME	62.4%
BAME	57.7%

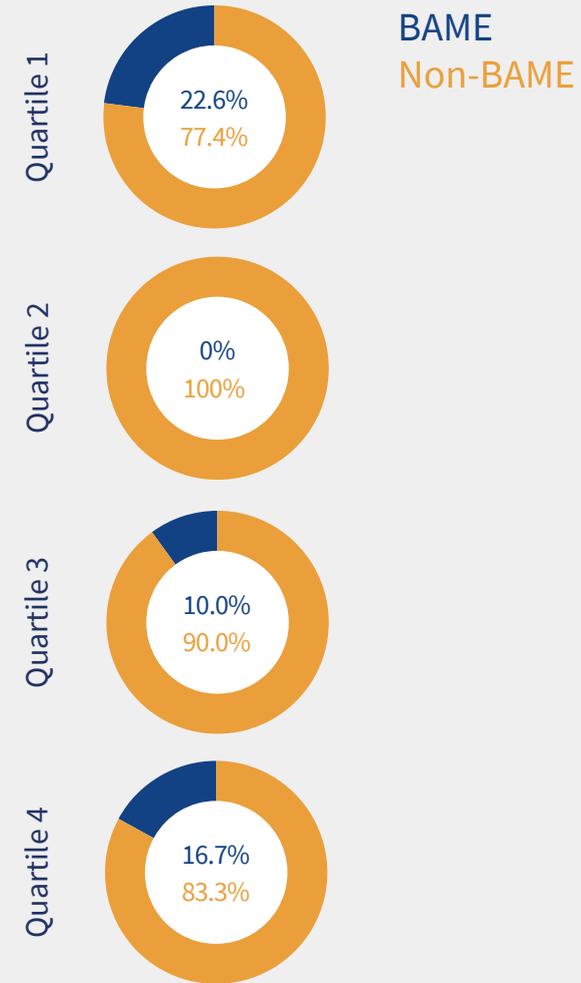
FSM Ethnicity Pay Gap

Of the 74% of our FSM have reported on their ethnicity, 9.2% who have identified with being BAME.

	Mean	Median
2019 pay gap	-0.1%	-2.3%

Hourly Pay Quartiles

This is a relatively small population (170 FSMs) and demonstrates representation across the pay quartiles in 2019.



This shows the ethnicity distribution when colleagues are placed in four equally sized quartiles based on pay.

FSM Ethnicity Bonus Gap

	Mean	Median
2019 bonus gap	11.4%	14.2%

This has been calculated using bonus amounts paid.

Proportion of non-BAME and BAME who were paid a bonus in the 12 months ending 5 April 2019:

	2019
Non-BAME	86.8%
BAME	88.9%

FEM Ethnicity Bonus Gap

Of the 75% of our FEMs who have reported on their ethnicity, 11.8% have identified with being BAME.

	Mean	Median
2019 pay gap	11.6%	9.3%

Hourly Pay Quartiles

This is a relatively small population (75 FEMs) and demonstrates representation across the pay quartiles in 2019.



This shows the ethnicity distribution when colleagues are placed in four equally sized quartiles based on pay.

FEM Ethnicity Bonus Gap

	Mean	Median
2019 bonus gap	21%	20.5%

This has been calculated using bonus amounts paid.

Proportion of non-BAME and BAME who were paid a bonus in the 12 months ending 5 April 2019:

	2019
Non-BAME	87.5%
BAME	88.9%

Putting People at the Heart of Everything We Do



We believe that all of our colleagues deserve the opportunity to thrive. That's why we proactively celebrate their diversity, as well as that of our clients and the communities we work in.

As signatories of the Law Society's Diversity and Inclusion Charter, we're committed to taking positive, practical action and we take our responsibility in creating an inclusive working environment very seriously.

We have well-established values, and we celebrate our people through our recognition schemes where colleagues are celebrated by their peers as well as our leaders. To help promote our values, and capture the essence of what it means to be a part of Irwin Mitchell, in 2019 we worked with over 300 colleagues to create our DNA statement, which puts our inclusive culture at the heart of everything we do.



Irwin Mitchell is an inclusive, motivating and fun place to work.

James Clarke

Events coordinator

Our DNA

We value you for who you are and what you bring.

We support each other.

We push boundaries.

We achieve incredible things.

We make a real difference to our clients and communities.

Our Values

Pioneering

Approachable and caring

Tenacious

Efficient

Integrity

Our Vision

Our aim is to be **one step ahead**.

We will be known for our **curiosity** and commitment to understanding our **colleagues, clients** and **communities**.

Our **pioneering and agile** mind-set will turn our curiosity into **value** and **create extraordinary experiences**.

Statement of Accuracy

We confirm that our gender pay gap calculations, in relation to the period ending 5 April 2019, are accurate and have been calculated in line with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.



Andrew Tucker
Group chief executive



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