

FREETHS

Gender Pay Gap Report 2019

At Freeths, we are committed to operating in a diverse and inclusive workplace where all our people can achieve their full potential. Building a gender-balanced and diverse workforce is at the heart of both our brand touchstone and strategic business plan. “Doing the right thing” to us means recruiting the best person for the job irrespective of gender or other protected characteristic, rewarding all our people fairly and promoting on merit. Our diversity focus is about removing barriers and encouraging women and those from other under-represented groups into senior roles.

We aim to be transparent and focussed in our diversity initiatives and our annual Gender Pay Report supports this. Last year, in line with legal requirements, our gender pay gap report focussed solely on our legal employees employed by Willoughby Corporate Services Limited (WCS), an employing entity of Freeths. Of course, as a law firm ensuring legal compliance is vital but we aim to go further to promote diversity within our firm. Therefore, we have decided to include on a voluntary basis the gender pay gap report for members of the LLP (“partners”), together with the pay gap report for Black and Minority Ethnic team members, alongside our WCS gender pay gap report. We believe that this provides a wider picture of our workforce and the challenges we face. This will enable us to engage in robust tracking of our progress in relation to diversity.

It is important to note that whilst we do have a gender pay gap this does not reflect concerns over equal pay. When compiling the figures we found no indication of gender pay differentials between lawyers of similar qualification nor gender pay differentials between other staff in our organisation performing similar roles. We are confident that men and women at Freeths are paid equally for doing work of equal value. We continually review our policies and practices to ensure fairness and actively review financial decision making during our annual pay review. Our gender and BAME pay gaps are primarily attributable to our imbalance towards non-BAME men in our senior roles.

Summary of our findings for 2018

Our overall headline gender pay gap for WCS employees (most legal staff excluding partners) has reduced since last year from an 11% mean pay gap to 7.6% gap, which is encouraging. Whilst we are moving in the right direction and have narrowed the gender pay gap for our lawyers (again excluding partners as this is the first year of reporting for this group), there is still work to do. When we look at our partnership group, our mean gender pay gap is also higher and currently stands at 27%. Whilst this is typical of the legal industry as a whole owing to the higher proportion of male partners, we are working hard to encourage an improved gender balance in the partnership. In relation to our mean BAME pay gap, this currently stands at 31%.

During 2018, we held women in law focus groups with staff from across the firm to review our gender profile and explore the barriers to progression which were identified. The feedback from the focus groups was discussed and further examined at our Staff Council and in our Diversity and Inclusion Group. The specific focus of all these discussions was to encourage more women into senior roles in the firm including partnership.

The action plan which emerged from these initiatives includes:

- Reviewing and rebranding both our flexible working policy and family friendly policies to ensure that they are inclusive, easily accessible, visibly promoted and available to all staff;
- Putting in place compulsory training for all partners and directors to promote “above the line” people management, which includes deep dive examination of a range of diversity issues;
- Introducing an online parental coaching platform which aims to help both male and female staff manage more effectively the demands of family and work-life;
- Reinforcing the availability of flexible working opportunities – we currently have 14% of our legal staff (trainees/lawyers/partners) working part time and this includes 9% of our partners;
- Establishing, in conjunction with the Staff Council, a working group to look at further extending our flexible working regime;
- Relaunching and extending our mentoring programme to support inclusive career progression across the business, and showcasing role models from under-represented groups;
- Reviewing on a regular basis our recruitment practices – for example, we are one of the first regional law firms to adopt contextualised recruitment for all graduate recruitment. Contextualised recruitment hard wires social mobility metrics into the recruitment process to enable us to understand better a candidate’s achievements within a social context. As a result of our use of contextualised data, in 2017, 13% of the offers we made to graduates joining one of our two graduate programmes were to candidates who would previously have fallen below academic criteria, but who had other key strengths and skills relevant to their applications;
- Offering an alternative route into qualification which combines employment and practical experience with study for professional exams. This route attracts more applicants who are first generation to university, are state educated or from an ethnic minority background;
- Implementing our women’s network (NEW), which holds quarterly events and aims to make business development opportunities more accessible to our female staff;
- Continuing our sponsorship and active involvement with the national Women of the Year Awards, which celebrates the achievements of women around the UK.

Significant progress has already been made and is evident in our recruitment statistics. By way of example, 70% of our trainees and legal assistants are now female, and so the challenge is to ensure that the whole of our workforce becomes representative of these recruitment trends. We are committed to delivering on our action plan, and we are confident that we can continuously work towards reducing the disparities evident in our pay gap reports.

FREETHS	Gender pay gap (mean)	Gender pay gap (median)	Gender bonus gap (mean)	Gender bonus gap (median)	Males receiving bonus pay	Females receiving bonus pay
WCS	7.60%	6.09%	16.00%	20.08%	77.39%	72.28%
Partners	27.29%	20.50%	29.96%	37.54%	37.50%	52.63%
	BAME pay gap (mean)	BAME pay gap (median)	BAME bonus gap (mean)	BAME bonus gap (median)	BAME receiving bonus pay	Non-BAME receiving bonus pay
	31.05%	5.58%	41.07%	17.52%	68.78%	73.33%

WCS proportion of staff in each pay quarter

