

Charles Russell Speechlys' Gender and Ethnicity Pay Report

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The employment landscape

In an ever-increasing competitive labour market, emerging from a post-pandemic world, we see a changing employment relationship being redefined.

Individual needs and requirements result in differing aspects of balancing personal and career aspirations. Coupled with the multi-generational workforce available in the labour market, it is essential to ensure we cater to the varying requirements as an employer.

Our commitment to reducing our gender and ethnicity pay gap is a constant focus for us in all elements of the employment relationship, with parity a key priority - from recruitment, pay and bonus awards and promotion and development opportunities.

We will, however, experience fluctuations and volatility in our pay gap data for at least the next two years. We have a multi-generational workforce, and the history of that demographic and its pay structure is reflected in our data.

As a Firm, we are in a cycle of strategic implementation where we are taking action to make the change to close the gap and ensure Charles Russell Speechlys is a workplace where our multi-generational workforce can work together side by side.

Our Future Firm Group, co-chaired by the Managing Partner and Senior Partner, focuses on all strategic aspects of diversity to provide optimum conditions for an inclusive and equitable environment for everyone at the Firm. We recognise we still have some way to go, but confident that we will continually improve with our commitment to action.



Karen Stages
Director of HR



Our data (mandatory publication requirements)

Employees only

The difference between men and women

HOURLY RATE OF PAY	MEAN	MEDIAN
Hourly rate of pay	20.7%	33.3%
Bonus	51.1%	55.4%

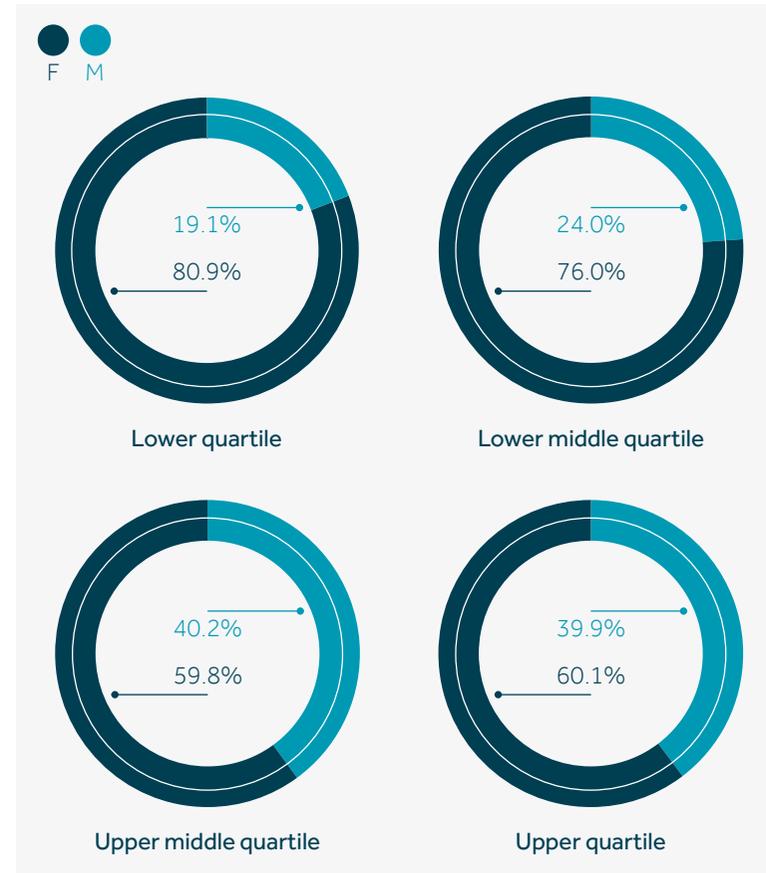
Bonus awards are proportionate to salary, it follows that if we have a pay gap, we will also have a bonus gap. It must also be noted that 15% of individuals awarded a bonus work part-time, and bonuses are reported on the amount paid rather than full-time equivalent therefore would always be lower than those on full-time working arrangements.

	MALE	FEMALE
Individuals who received a bonus who are on part-time working arrangements	8.87%	24.05%

Of those receiving a bonus, there are more women on part-time arrangements than men, making the bonus gap appear wider, again due to reporting being on actual amount rather than full-time equivalent.

Pay quartiles (employees only)

The quartiles split our employees into four equal groups ranked from the highest to lowest rate of pay and show the relative percentage of each gender in those groups.



Proportion of women and men awarded a bonus in 2019/20



Our data (including partners of the Firm)

As a legal requirement, we have calculated these figures using the principles by the UK Government. The way our partners are remunerated is different from our employees.

In order to compare hourly rates, we have calculated the hourly rate for partners based on their full-time equivalent earnings for the 2020/21 financial year.

HOURLY RATE OF PAY	MEAN	MEDIAN
Partners and employees*	59.0%	43.4%
Partners only	30.4%	39.5%
All employees	20.7%	33.3%
Fee earning employees	11.1%	5.7%
Business Services employees	24.4%	16.4%

ROLE	MEAN DIFFERENCE IN HOURLY RATE OF PAY
Trainee Solicitor*	6.0%
Associate	-2.8%
Senior Associate	2.0%
Legal Director	3.3%
Prior Share Equity Partner	-7.7%
Full Share Equity Partner	15.7%

* The pay gap at the Trainee Solicitor level highlights how a small population can have a disproportionate and significant impact on pay gap reporting. All our Trainee Solicitors are paid the same salary which is only differentiated based on location and whether they are in their first or second year of their training contract.

Why do we have a gender pay gap?

Demographics

The pay gap is caused largely by the demographics of our Firm. Women make up 63% of the Firm (including partners) and hold 75% of secretarial/business support roles which, on average, are paid less in comparison to lawyers.

We remain confident our people are paid equally for doing equivalent roles across the Firm, irrespective of gender. This is supported by further analysis of our data - if we break down the data into specific employee groups, the pay gap reduces significantly and, in some cases, reverses in favour of women, as shown in the table below.

Regional variation

Another reason for our gender pay gap is that we have a higher proportion of women in our regional UK offices. Salaries outside of London are generally lower due to market forces which has an impact on our gender pay gap as a Firm.

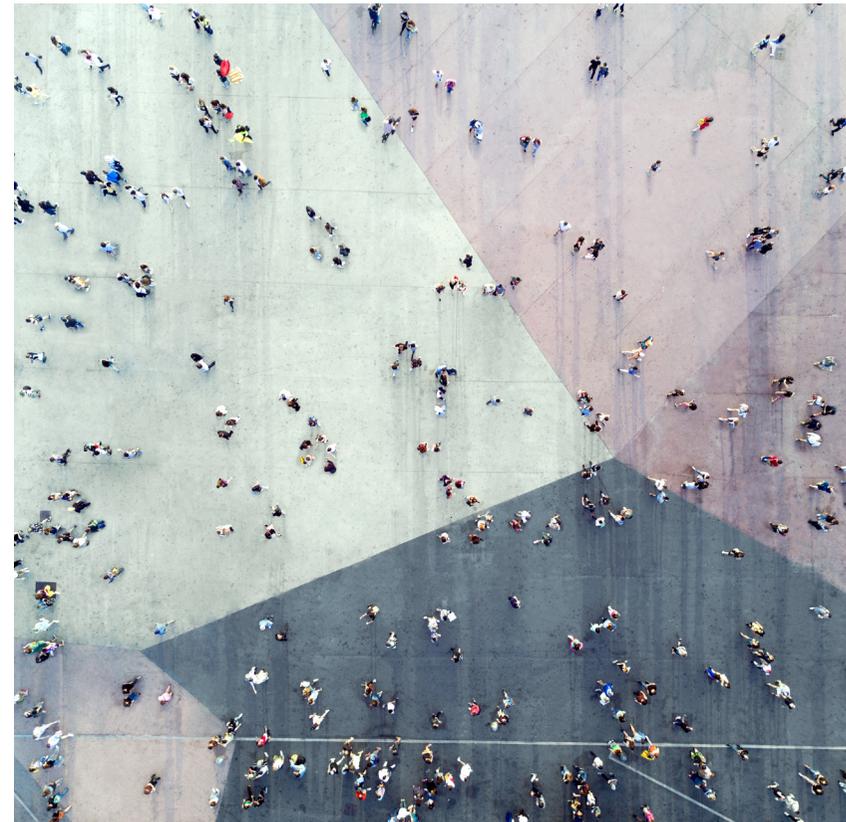
The table below supports this theory and illustrates that our gender pay is positive in favour of women in some roles/offices and the gap narrows when looking at each office in silo.

ROLE	MEAN			MEDIAN		
	London	Guildford	Cheltenham	London	Guildford	Cheltenham
Trainee Solicitor	1.6%	-1.3%	-4.0%	7.0%	0.0%	-6.7%
Associate	-1.5%	-3.5%	-6.8%	0.0%	-3.3%	-2.7%
Senior Associate	1.9%	4.4%	11.3%	-1.5%	1.1%	10.0%

Why has the pay gap changed?

Each year we expect these figures to fluctuate slightly because of changes in our employee and partner populations from turnover to promotions. This has meant our mean and median pay gap figures have fluctuated across both the employees and partner figures, although predominantly on our partner side.

Any changes in the partner population have a noticeable impact on figures due to the size of that particular population. We still choose to report on the partners even though the figures can fluctuate each year and we wish to be transparent as a Firm.



Ethnicity pay gap

In line with our commitment to the promotion of equal opportunities, this year we are again voluntarily reporting our ethnicity pay gap data. We have calculated these figures using the same principles used to calculate our gender pay figures.

Our ethnicity pay reporting relies on individuals voluntarily disclosing their ethnicity data and those who have chosen not to disclose their data cannot be included in these pay calculations.

Our data

The difference between those who have identified as ethnic minority and non-ethnic minority.

HOURLY RATE OF PAY	MEAN	MEDIAN
Partners and employees*	46.1%	27.1%
Employees only	14.2%	10.9%
Partners only	49.0%	50.4%

*The way our partners are remunerated is different from our employees. In order to compare hourly rates we have calculated the hourly rate for partners based on their full-time equivalent earnings for the 2020/21 financial year.

Why we have an ethnicity pay gap?

Our ethnicity pay gap is impacted by the fact that our ethnic minority population is relatively small, meaning that it can have a disproportionate and significant impact on our pay gap figures. In a similar way to our gender pay gap analysis, if we break down our ethnicity pay gap data into specific employee groups, the pay gap reduces in most cases, as shown in the table below:

ROLE	MEAN DIFFERENCE IN HOURLY RATE OF PAY
Trainee Solicitor	-6.2%
Associate	-3.1%
Partners	49.0%

* The pay gap at the Trainee Solicitor level highlights how a small population can have a disproportionate and significant impact on pay gap reporting. All our Trainee Solicitors are paid the same salary which is only differentiated based on location and whether they are in their first or second year of their training contract.

This indicates that the primary cause of our ethnicity pay gap is a lack of diversity in senior roles, an issue that we hope to address through our diversity initiatives.

Action – our plan for the future

The Firm's commitment to diversity and inclusion (D&I) remains at the core of our business and is demonstrated by the launch of our new Future Firm Group (FFG) for D&I. Co-chaired by the Managing and Senior Partners, and supported by the Directors of HR and Partner Performance and the Responsible Business Partner. D&I is mainstreamed into our central governance and will be embedded into every aspect of our business.

The FFG also includes four partners and one senior associate, who each represent each of the Firm's five focus Networks for Social Mobility, Gender, CAPability and Mental Health, Religion, Belief & Ethnicity and LGBTQ+, plus representation from D&I, Finance, Business Development and other roles/areas of the business.

Other future developments include:

- Completing a full review of our diversity data, with a view to improving the completion rates across all strands of diversity. Our diversity data currently reflects 100% completion rate for gender and 92%% for ethnicity. Improved data across all strands of diversity will support a more detailed analysis of the challenges, which will help identify actions to address those challenges.
- The development of our female talent remains high on the agenda. In 2021 we were one of only five firms in [The Lawyer's City 50](#) to have achieved 30% female representation in our partnership and we are working hard to improve that further, setting a target of 35% female representation in our UK partnership by 2024.

- Our Business School continues to thrive. It has been in place for a year now, offering a range of development programmes, for everyone at the Firm, including focussed programmes for our female talent and future leaders, 1:1 and team coaching and a reverse mentoring programme. Over 5,450 hours of training was completed in the first 12 months of the Business School.
- We remain committed to understanding how racial inequality might manifest in the workplace in other areas of the business, the legal profession and more broadly in society. In 2021, we engaged an external consultancy to help us compile an action plan and identify initiatives to drive change.
- This year, the Firm achieved a Gold Award from Stonewall for its commitment and actions to providing a supportive and inclusive work environment for the LGBTQ+ community. The Firm ranked 53 in the Stonewall Equality Index, and our LGBTQ+ Network were awarded a Highly Commended Network award to recognise their hard work and engagement.

Closing our gender and ethnicity pay gaps will take time, and we are fiercely committed to making Charles Russell Speechlys a more dynamic workplace. We will continue to scrutinise these gaps and explore ways to reduce them through improving diversity at all levels of our business.

A stylized, handwritten signature in black ink, consisting of several loops and a long horizontal stroke.

Simon Ridpath
Managing Partner

"I confirm that the data reported is accurate"

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