

News release

Profession's diversity continues to improve but more to do

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Diversity within law firms is continuing to slowly improve year-on-year, with smaller firms more diverse than larger ones.

These are among the key findings in our biennial collection of diversity data from 9,276 law firms employing more than 203,000 people across England and Wales.

The 2023 data shows there is an increase in the proportion of women in the profession (up slightly to 53% from 52% in 2021; it's risen from 48% in 2015). Although the seniority gap between women at partner and solicitor level remains significant, it narrowed slightly. Overall, women make up 37% of partners, up two percentage points since 2021. Women are less well represented at the most senior level of the largest firms - 32% of equity partners across all firms are women compared to 28% in firms with 50+ partners.

In terms of ethnicity, we found that 19% of lawyers working across all firms were of Black, Asian or minority ethnic origin, up from 18% in 2021 and 14% in 2015. This group is made up of 12% Asian lawyers, 3% Black, 3% Mixed/Multiple and 1% of lawyers from other minority ethnic backgrounds. Overall, 17% of partners are from a Black, Asian or minority ethnic backgrounds, but there is a significantly higher proportion of partners working in one-partner firms (36%) than any other firm size. And this proportion decreases as the firm size increases, with just 8% of partners from these backgrounds in the largest firms (with 50+ partners).

The proportion of those from a 'privileged' background is high in the legal sector but is falling slowly. The proportion of lawyers with parents from a 'professional' background fell from 60% in 2019 to 57% in 2023. The other main indicator of socio-economic background is attendance at independent/fee paying schools with 7.5% attending such schools nationally. Overall, the proportion of lawyers attending these schools has decreased, from 23% in 2015 to 21% in 2023. The largest firms have the greatest proportion of lawyers from a professional socio-economic background (65%), and those who went to independent/fee-paying schools (28%).

There continues to be an under-representation of those reporting they had a disability within the sector - just 6% of lawyers, up from 5% in

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2021 - compared to 16% of the wider UK working population. This might suggest potential under-reporting.

Paul Philip, SRA Chief Executive said: 'A diverse and inclusive legal profession which reflects the wider community is not only good for the public, but good for legal businesses themselves. It benefits everyone to have the most talented people from all backgrounds able to work and progress in the legal sector. Things are slowly improving, but there is still more to do.'

A comparison tool is available on the <u>our website</u> [<u>http://www.sra.org.uk/solicitors/diversity-toolkit/law-firm-diversity-tool]</u> which allows firms to benchmark how they compare to similar firms in the profession. More detail on our findings can be found <u>here</u> [<u>https://indemnity.sra.org.uk/sra/equality-diversity/diversity-profession/diverse-legal-</u> profession/].

We have also published our latest gender pay gap and ethnicity pay gap reports, and we continue to encourage others in the legal sector to do the same. While publication of the gender pay gap report is a legal requirement for organisations with more than 250 employees, there is no current obligation to publish ethnicity pay gap data.

Our median pay gap between Black, Asian and ethnic minority and White staff reduced from 12.7 per cent in 2022 to 7.6 per cent in 2023. While this is heading in the right direction, this is still wider than the ONS UK-wide average of 2.3 per cent. The median bonus gap is 23.3 per cent, down from 30 per cent in 2022.

We have a dedicated workforce senior ethnicity inclusion action plan, which sets out our targets, steps on career development and recruitment and how we will monitor and assess our progress.

Covering the reporting year up to April 2023, the latest gender pay gap report shows that our median pay gap between male and female staff was 9.3 per cent. This is a decrease of 1.9 percentage points since 2022, while the median bonus gap is now 20 per cent, up from 12.5 per cent last year.

The pay gap remains narrower than the Office of National Statistics (ONS) figure of a UK-wide average gap of 14.3 per cent, but there is more to do. The report sets out planned actions, which include reviewing our reward strategy and how we recognise staff, as well as policies, processes and practices. Many of the measures in the ethnicity inclusion plan will also help to address the gender pay gap.

Paul Philip said: 'It important that we, and others in the legal sector, publish our ethnicity pay gap in order to shine a light on progress in this area.



'In terms of both gender and ethnicity, we have good diversity in our overall workforce, but these figures show we still have some way to go. In particular we need greater diversity in senior roles, particularly when it comes to ethnicity. We have initiatives in place to help us to do that, with the aim of further reducing our pay gaps.'

Read our 2023 <u>Gender Pay Gap Report [https://indemnity.sra.org.uk/sra/research-publications/gender-pay-gap-report-2023/]</u> and <u>Ethnicity Pay Gap Report</u> [https://indemnity.sra.org.uk/sra/research-publications/ethnicity-pay-gap-report-2023/].