

# GENDER PAY GAP REPORT 2022.

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# Gender pay gap report 2022

At Morton Fraser we're committed to creating a diverse and inclusive workplace where our people can be themselves and be at their best more of the time. This is fundamental to Morton Fraser being an innovative, collaborative and high performing Firm for the future. We take this commitment very seriously and within our People Strategy we have a number of initiatives planned to ensure this ambition is realised.

This year will be the fourth year in which we use the RARE contextualised recruitment system to attract and select talent from socially disadvantaged groups to ensure our workforce becomes more representative of the communities we serve and in which we live and work.

UK legislation requires legal entities that employ more than 250 people publish their gender pay gap data. Whilst we currently fall below that level, (we employed 205 people at 8 August 2022), we choose to share these figures as part of our commitment to Diversity, Inclusion and Belonging.

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# Terminology

The gender pay gap shows the difference between the **average** (mean or median) earnings of men and women. This is expressed as a percentage of men's earnings e.g., women earn 15% less than men.

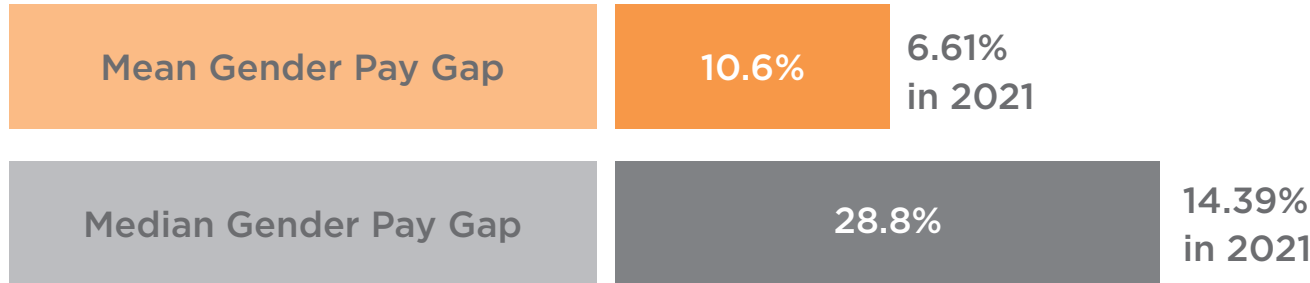
The **mean average** involves adding up all of the hourly rates of pay for males and dividing the result by the total number of male employees. The same is then done for female employees and the two results are compared.

The **median average** involves listing all the hourly rates for male employees in numerical order. If there is an odd number of results, the median average is the middle number. If there is an even number of results, the median will be the mean of the two central numbers. The same is then done for female employees and the two results are compared.



# Pay gap between women and men

at 8 August 2022



From a purely statistical standpoint, the median is considered to be a more accurate measure as it is not skewed by very low hourly pay or very high hourly pay. However, we know the very highly paid people tend to be men, and the very low paid people tend to be women, and the mean paints an important picture of the pay gap because it reflects this issue. It is therefore good practice to use both the mean and the median when analysing or reporting on the gender pay gap.

The diagram above shows our “gender pay gap”. This is a snapshot of the difference between the average hourly pay levels of our female

employees compared to the average hourly pay levels of our male employees, irrespective of their role or level in the Firm.

Our figures show that the median average hourly pay of all our female employees is 28.8% lower than that for our male employees. This is primarily due to the fact that, proportionately, we employ more women than men in the lower and lower middle pay quartiles.

It is disappointing to see that our gender pay gap has grown since last year. Having reviewed the data, we believe this is due to a few key factors.



Firstly, a number of men from within the lower pay quartile have left within the last 12 months which resulted in the median salary moving up a few points within the list. As we have a comparatively small number of men in the firm, a few small changes like this has a large impact on the median point within the list of male salaries.

Secondly, we have had a large number of women join the firm in the lowest pay quartile, which serves to move the median point within the salary list down.

Thirdly, a few women from the upper pay quartile have left which further affects the point at which the median salary sits within the list of women's salaries.

These three key changes have shifted the gender spread within our pay quartiles from last year; there is now a higher proportion of women in the lowest pay quartile and a higher proportion of men in the higher quartiles, particularly the upper middle pay quartile.

This shows just how sensitive gender pay gap reporting is in an organisation of our size and make up.

It is important to restate that the “gender pay gap” is distinct from “Equal Pay”, which looks at the individual pay level and is about ensuring that men and women are paid the same for carrying out the same work, or work of equal value. The evaluation of our gender pay data indicates that the difference in average pay is due to proportionately more men being in senior, higher paid roles and this year was significantly impacted by men at the bottom of our pay ranges leaving as well as women at the top leaving.

We have a variety of mechanisms to promote consistency in reward between men and women in the same job grade or doing the same work. These include a structured approach to job sizing and pay determination.

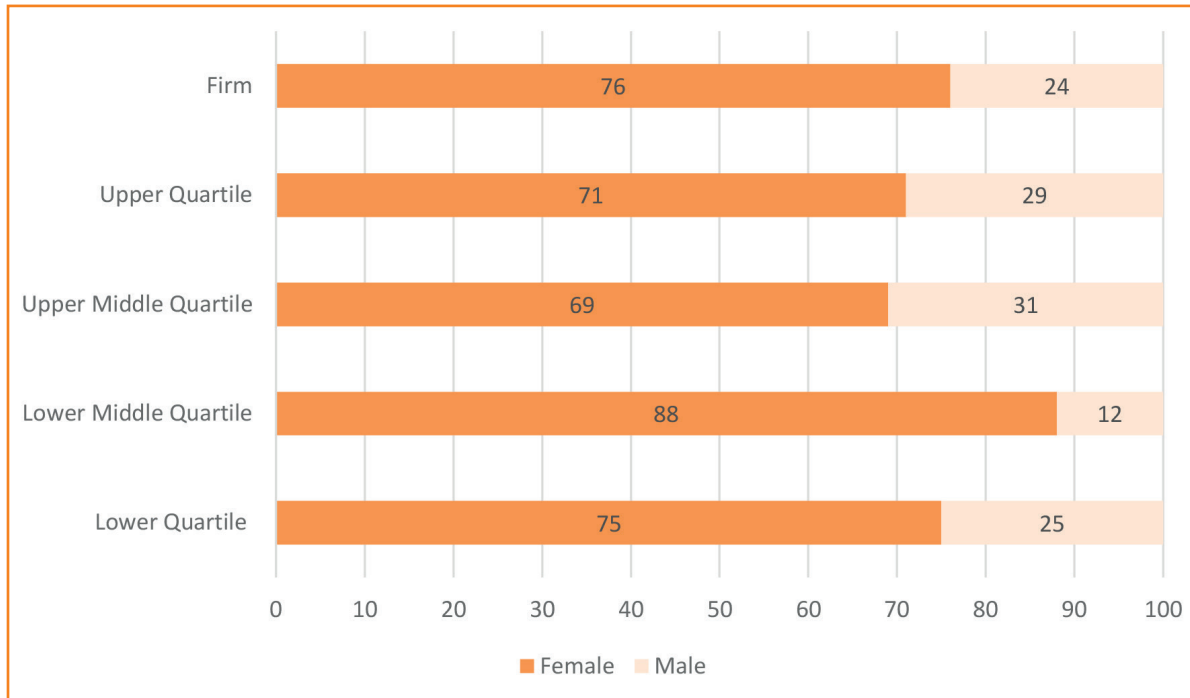
# Bonus difference between women and men

	Mean	Median
<b>Bonus (2022)</b> (2020 figures in brackets)	<b>7.1%</b> (7.1%)	<b>-3.8%</b> (-24.8%)

Our bonus is a profit share scheme that is offered to all of our people based also upon personal performance. Payments are based upon a percentage of profit for the Firm's financial year to 30 April and are paid in July each year. The median bonus paid to females was £77 higher than the median bonus paid to males.



# Gender demographic per quartile



This calculation requires us to show the percentage of male and female full-pay relevant employees in four quartile pay bands. This is done by ranking all employees from the lowest hourly rate of pay to the highest hourly rate of pay and then dividing the workforce into four equal parts.

The table below shows the proportion of males and females in each quartile. For example, within the lower quartile, 75% of employees are female and 25% male. Overall, females currently represent 76% of Morton Fraser employees.



# What does this all mean for Morton Fraser?

*“We consider that our approach to pay within Morton Fraser as it relates to gender is fair.”*

We consider that our approach to pay within Morton Fraser as it relates to gender is fair. Jobs are graded according to an internal job evaluation system which allocates jobs of a similar value to a given job grade. This forms the basis of equal pay for work of equal value.

The disparities in gender pay when looking at the organisation as a whole point to the over-representation of our female colleagues at more junior levels within the Firm. It also points to the fact that many support jobs, which attract a lower salary, are also done by women. Both of these factors call for us to consider ways in which we can continue to attract more senior women into the organisation and bring more diversity across the full range of all our career options at the Firm.

**Martin Glover**  
**HR Director**







# THANK YOU.

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FOR EMPLOYMENT LAW BY THE TIMES IN  
THEIR BEST LAW FIRMS 2021 GUIDE.**

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