

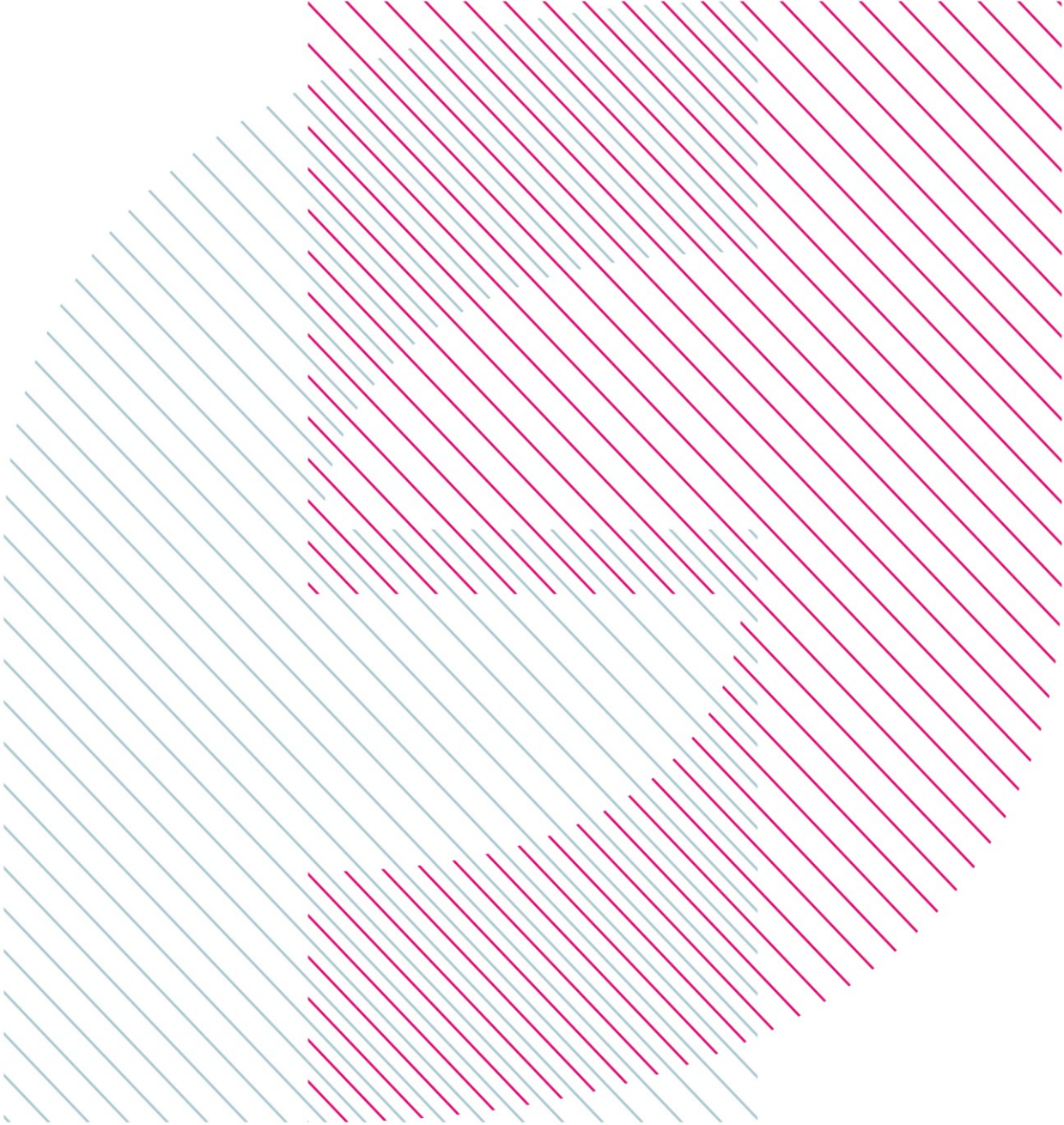


# Gender pay gap report

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# Gender pay gap report 2025

## 1.0 Executive summary

This report sets out the Legal Ombudsman's gender pay gap data as at the snapshot date of 31 March 2025 and explains what it tells us about gender equality in our workforce.

This year, our mean gender pay gap is 9%, which has increased slightly from last year's 8% but remains below all national, public sector, and private sector benchmarks. Our median gender pay gap remains at 4%, also significantly lower than national, public sector, and private sector benchmarks.

We continue to see strong female representation across the organisation, including at senior levels. However, the gender pay gap is affected by the overrepresentation of females in lower grade levels and underrepresentation of males in those bands, a pattern consistent with previous years.

Our bonus gender pay gap has narrowed, with a mean gap of -4% (in favour of females) and a median gap of 17%, an improvement on the previous year.

Key initiatives this year include:

- Strengthened family-friendly and menopause policies
- Major improvements to onboarding and induction
- A successful Inspiring Leaders programme
- Continued work by the Women's Network and EDI team to promote gender equality
- A revised Celebrating Success scheme
- A reviewed recruitment and retention strategy

We are committed to addressing gender-based imbalances and embedding inclusive practices across the employee lifecycle. While our results compare favourably to national benchmarks, we remain focused on long-term improvement.

## 2.0 Overview of requirements

From 31 March 2017, all employers with a headcount of 250 or more must comply with regulations to report annually on their gender pay gap. The public sector deadline for publication of the data is 30 March each year, with calculations based on a 'snapshot date' of the previous 31 March.

The requirement is to publish six key measures of the gender pay gap:

Median gender pay gap	The difference between the midpoints in the ranges of men's and women's pay. All salaries in the sample are lined up separately for men and women in order from lowest to highest, and the middle salary is used. The figure is the difference of these two middle points.
Mean gender pay gap	The difference between the average of men's and women's hourly pay.
Median bonus gap	The difference between the median bonus payments made to relevant male employees and that paid to relevant female employees.
Mean bonus gap	The difference between the mean bonus payments made to relevant male employees and that paid to relevant female employees.
Bonus proportions	The proportions of male and female relevant employees who were paid bonus pay.
Quartile pay bands	The proportions of male and female full-pay relevant employees in the lower, lower middle, upper middle and upper quartile pay bands.

The information must be published on a website that is accessible to employees and the public free of charge, and it should remain on the website for a period of at least three years from the date of publication.

The 'snapshot date' for this gender pay gap report was **31 March 2025**, with data based on the relevant pay periods of March 2025 for ordinary pay and the 12 months to 31 March 2025 for bonus pay. LeO does not pay bonuses; however, payments made to employees through the 'Celebrating Success scheme' have been recognised as bonus payments for the purpose of this report and includes both 'monthly' and 'instant recognition' awards. Please note that in previous years we only reported on monthly awards.

For gender pay gap reporting, employees are those employed under a contract of employment, a contract of apprenticeship, or a contract personally to do work.

## 2.1 Gender Pay Gap reporting explained

The gender pay gap is the difference in the average hourly earnings between all male and all female employees in an organisation, regardless of the type or level of work they do. A gender pay gap can be influenced by several factors, including, importantly, the underrepresentation of women in senior roles.

It is important to distinguish between the gender pay gap and equal pay. Equal pay relates to differences between the actual earnings of male and female employees doing the same job, like for like work or work of equal value.

An organisation may be an equal pay employer, paying male and female employees equally for doing equal work, but it may still have a gender pay gap. This is because the gender pay gap shows the differences in the average pay between males and females working in the same organisation, albeit in different jobs. While male and female employees doing work of equal value are paid equally, there are different numbers of male and female employees doing different work for which they are paid differently.

A reduction in gender pay gap is viewed as positive for this measure. A score lower than the benchmarks is viewed as positive and is shown in green below. Benchmarking data is referenced from the Office for National Statistics datasets.

## 3.0 Legal Ombudsman's gender composition

On 31 March 2025, LeO had 313 employees which comprised of significantly more females (68%) than males (31%).

Although we have strong female representation at senior grades, more females are employed in the lower grade levels where pay is lower (grades D to E) which affects our gender pay gap and bonus pay gap information. This is consistent with previous years.

### 3.1 Legal Ombudsman's mean gender pay gap

Our mean gender pay gap is 9%. This figure has increased by 1% since last year (8% to 9%), however this continues to remain below the UK public sector average, UK private sector average and the UK national average.

Gender Pay Gap	2023	2024	2025	% change
Mean	11%	8%	9%	+1%
Benchmarking				LeO variance
UK national average		13.2%	11.3%	-2.3%
UK public sector		11.5%	10.6%	-1.6%
UK private sector		15.6%	12.6%	-3.6%

### 3.2 Legal Ombudsman's median gender pay gap

Our median gender pay gap is 4%. This figure has remained the same as last year. This figure also continues to remain below the UK public sector average, UK private sector average and the UK national average.

Gender Pay Gap	2023	2024	2025	% change
Median	5%	4%	4%	0%
Benchmarking				LeO variance
UK national average		14.3%	7%	-3%
UK public sector		14%	10%	-6%
UK private sector		18.9%	12.5%	-8.5%

### 3.3 Legal Ombudsman’s bonus gender pay gap

Gender Bonus Pay gap	2024	2025
Mean	3%	-4%
Median	24%	17%

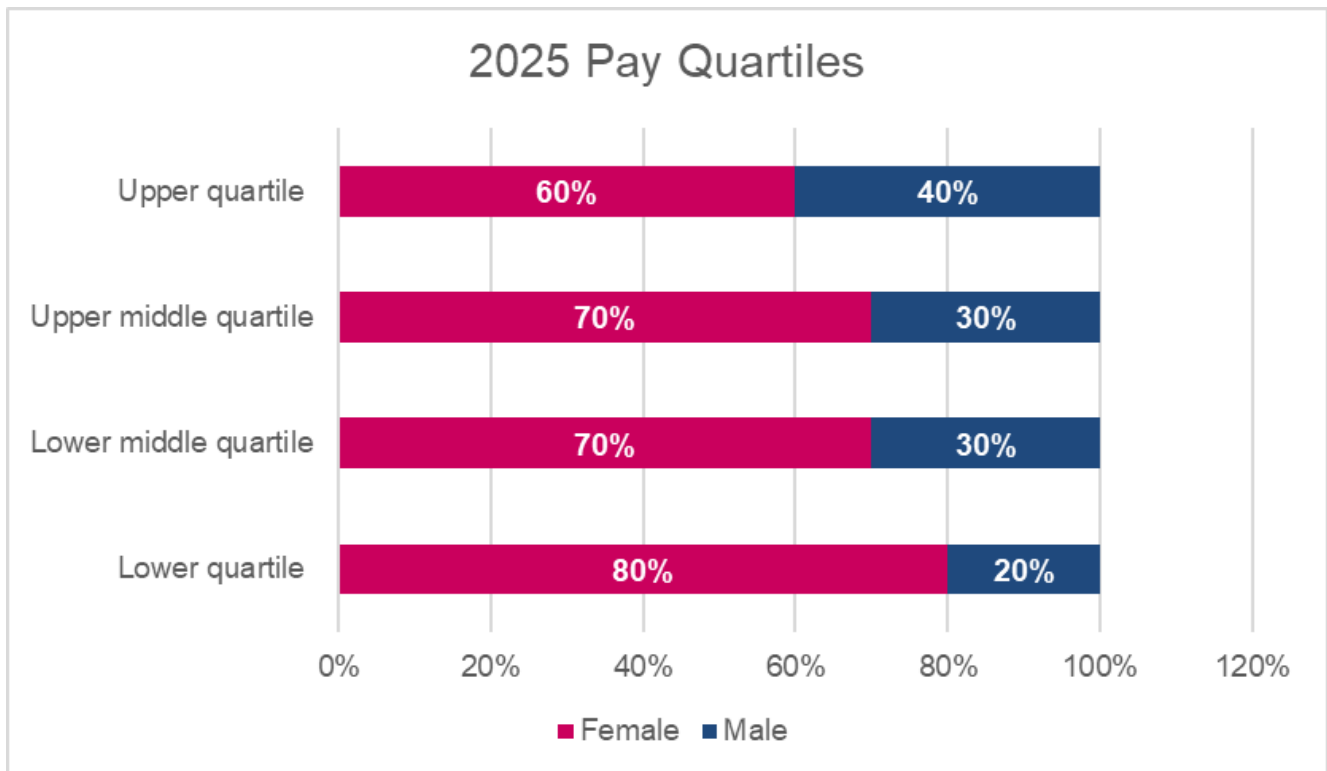
*Note: The 2024 figures above include both monthly and instant recognition awards. 2023 figures have not been included as bonus pay only included monthly awards.*

The negative mean bonus pay gap (-4%) indicates that, on average, female employees received higher bonus payments than their male counterparts. This is due to a higher proportion of female staff being recognised through the Celebrating Success scheme and reflects both their numerical majority in the organisation and the improved transparency of the revised scheme. While a negative gap is uncommon, it demonstrates that the bonus allocation has been equitably applied and is reaching a broader base of female staff. This is a positive trend, showing that recognition is fairly distributed and that our actions to strengthen the scheme are having an inclusive effect.

LeO has market rate pay grades (A to E) and an Executive grade. There are levels within each grade to adjust for diverse remunerations for the different roles across the organisation. For a very small number of unique roles that do not fit appropriately within these levels after market benchmarking, an individual level may be applied. Pay is set at two points, a junior grade (JG) and a substantive grade (SG).

### 3.4 Pay Quartiles

To understand the pay gap, it is useful to look more closely at the pay quartile data and the distribution of male and female employees across job grades. This gender composition has remained very stable compared to last year.



Looking at the proportions of males and females in each quartile band, there is higher representation of males in the upper quartile (40%) and upper middle quartile (30%) compared to the lower quartile (20%). Although there is a high representation of females in the upper quartile (60%) and upper middle quartile (70%), there is an even higher proportion of females in the lower quartile (80%). This is a clear indicator of why male median pay exceeds that of females.

We have strong female representation in our senior leadership at LeO that fall within the upper quartile (43% of our Executive Team - the top seven highest paid members of employees in the organisation). It is worth noting that any movement/changes in personnel within this team can have a significant impact on the gender pay gap results due to the small size of this cohort (such as the impact of appointing two male interim Chief Executive Officers - which will impact our next gender pay gap results).

There is a higher representation of females in the two lowest quartiles. The lower middle quartile (70%) largely consists of Investigators, and the lowest quartile band (80%) are employed mainly in roles within the General Enquiry Team (GET). Additionally, due to the volume of staff in the lower middle quartile, a high proportion of part-time employees in this cohort compared to the cohort in the upper quartile will impact our pay gap.

### 3.5 Reward and recognition

'Celebrating Success' is the Legal Ombudsman's reward and recognition scheme which thanks and celebrates the excellent contribution our people make to the success of our business. The scheme recognises the hard work, commitment, and achievements of our people, individually and as part of a team through a fair, flexible, and transparent recognition scheme. The scheme was reviewed in 2024-25, with clear guidance created to support colleagues when submitting nominations.

### 3.6 Who received a bonus payment

Of the total workforce 76% (239/313) received bonus payments which is an increase of 11% from 2024-25.

Rewards	Male	Female	Total number
% of total bonus payments received	28% (68)	72% (171)	239 bonus payments

Of the total rewards received, the male and female split is shown below in relation to the overall workforce composition.

The proportion of male and female employees receiving a bonus payment	Male	Female
	69% (68/99)	80% (171/214)

### 4.0 Our gender balance aims and actions

To support our work of promoting gender equality throughout our organisation spanning all levels, we can report on the actions we have taken, detailed below.

- Like previous years, LeO's workforce remains predominantly female (68% female and 31% male). The reasons for this gender imbalance are reflective of an imbalance towards female employees in other Ombudsman schemes evidenced by previous benchmarking.

- Our family friendly policies have been strengthened which helps to support the attraction and retention of female colleagues. Internally we have been proactive in promoting these policies and the ranges of benefits available as a means of raising awareness of our employee value proposition (EVP). We have also promoted our EVP externally as part of our attraction strategy as a means of attracting talent to the organisation.
- A key commitment of our equality objectives is the annual analysis of our data across different demographic factors. This helps us identify areas for improvement, with a particular emphasis on monitoring gender diversity across the organisation, particularly in senior roles. Our annual workforce reporting analysis demonstrated that we continue to have strong female representation in all levels of the organisation (including at Board level).
- Our successful traditional mentoring initiative has been incorporated into our annual cycle of people development activities. This complements our annual personal development review process where colleagues receive personalised conversations about their professional development and career aspirations. These are key conversations to support retention and progression of colleagues.
- A comprehensive, end-to-end review of recruitment and selection was completed. Following on from this work, this year we have focused on a major review of our onboarding and induction arrangements. Three major projects were successfully delivered:
  - A new onboarding portal was created. This new resource is now available for all new starters; enabling them to access key pre-employment information and ensure they remain engaged with us from the moment of job offer to when they join LeO.
  - A new core induction programme was created. This new online programme gives all new starters a detailed, focused introduction to LeO across a range of key areas. With input from the Executive Team, Staff Council and a number of other colleagues, the programme provides a positive and welcoming introduction to LeO, with detailed, focused information across a range of key areas.
  - A new induction policy was rolled out. This outlines our approach to induction, including at departmental/team level, and is supported by line manager guidance and an induction checklist.
- Our new attraction and retention strategy encompasses a wide range of interconnected people-related activity, from professional, inclusive recruitment practices through to employee development, reward and recognition, employee engagement, wellbeing and the provision of an inclusive culture and working environment.
- We have reviewed the Celebrating Success scheme. The scheme has been strengthened to provide more clarity on what the scheme is designed to reward, with examples given on the kind of activity that may attract an award.
- A new inspiring leaders initiative was launched to promote accessibility routes into leadership. A successful event was held in June (achieving 100% satisfaction from the delegates) with another planned for November.

- Our work to promote menopause awareness is having a positive effect in breaking down taboos and creating safe spaces for colleagues to talk about issues they are experiencing. We enhanced that commitment by rolling out our menopause policy which outlines how we can support colleagues who are affected by menopause.
- Our EDI calendar of events is another communication mechanism that we employ to promote awareness, educate colleagues, and contribute to our culture of inclusion.
- We promoted our carers passport which supports colleagues with caring responsibilities. This will benefit our female colleagues as traditionally females have fulfilled more of the caring and childcare responsibilities in households.
- Aligned with our People and Culture Plan, we continue to invest in leadership development. Leaders have received training on disability awareness to increase their knowledge and confidence of how to support colleagues and customers with these conditions.
- Our Women's Network continues to provide support for colleagues and serves as a platform to raise issues affecting them. We actively engage with the network and have taken action on feedback to improve working practices at LeO. The network ran a successful domestic violence awareness campaign in September, and the event scored 97% colleague satisfaction. The network is backed by our EDI team, Executive sponsor, and the EDI Steering Group to help remove any barriers identified for women.
- Both our Board and Executive Teams have strong female representation which increases diversity of thought at the most senior level.
- We continue our commitment to seek out best practices from regulators, ombudsman organisations, and organisations that champion EDI/HR best practices to inform our people and culture work at LeO.

## 5.0 Conclusion

Our mean and median gender pay gap results continue to remain below the public sector, private sector and UK national averages. However, we will not be complacent about this positive position. We can provide assurance that there is an ongoing commitment to gender equality at all levels.

Due to our relatively flat organisational structure, we recognise that even small changes in the upper quartile, particularly within the Executive Team, can significantly affect our gender pay gap results. However, we remain confident that the initiatives set out in our People and Culture Plan and EDI Strategy will help us continue working towards our long-term commitment to promote gender equality across LeO.