

**EQUALITY, DIVERSITY
& INCLUSION COMMITTEE**
16 November 2015



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Equality, Diversity and Inclusion Strategy - Progress Update

Purpose

- 1 The purpose of this paper is to update the Committee on the progress made against the Equality, Diversity and Inclusion (EDI) Strategic Action Plan.

Recommendations

- 2 The Equality, Diversity and Inclusion Committee is asked to:
 - a) note the progress made in meeting Objective One, in particular the work on SRA Board and governance;
 - b) note the progress made in meeting Objective Two, in particular the work on our regulatory reform programme; and
 - c) note the progress made in meeting Objective Three, in particular the update for the collection of firm diversity data.

If you have any questions about this paper please contact:

Leah Lee, HRD Senior Business Partner at leah.lee@sra.org.uk on 0121 329 6008, in relation to the actions identified under EDI objective one.

Jane Malcolm, Executive Director for External Affairs at jane.malcolm@sra.org.uk on 0121 329 6091, in relation to EDI objectives two and three.

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Equality, Diversity and Inclusion Strategy - Progress Update

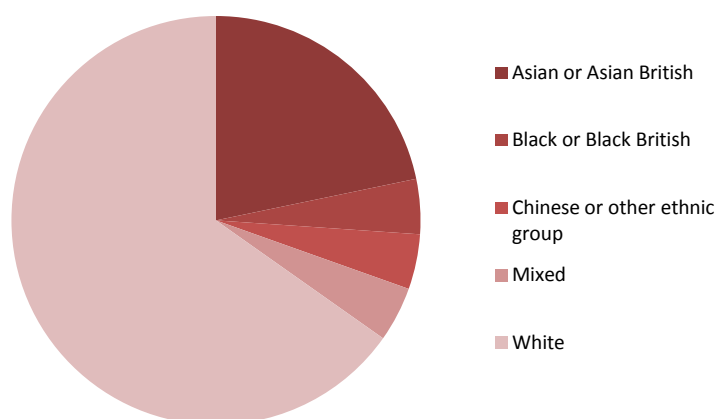
Background

- 1 We published the SRA Equality, Diversity and Inclusion (EDI) Strategy 2014/17 on 20 November 2014.
- 2 The action plan is set out under our three EDI objectives. The first EDI objective covers our staff and the actions are led by our group HRD function supported by the SRA EDI Team. The second and third EDI objectives concern the delivery of our regulatory functions and how we support those we regulate to achieve a more diverse and inclusive profession and these actions are led by the SRA EDI Team.

Update from previous actions

Update 1: Diversity breakdown of the Business Champion Community

- 3 The diversity breakdown for the Business Champion Community (23 in total) against the following protected characteristics; gender, ethnicity, age, disability, religion or belief and sexual orientation is as follows. 60% are female and 40% are male. 65% identify as White British, 23% as Asian or Asian British, 4% as Black or Black British, 4% as Mixed and 4% as Chinese or other ethnic group.

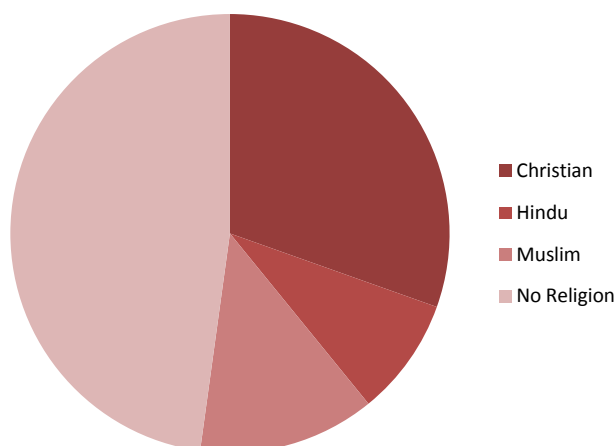


- 4 The highest proportion of Business Champions, 39% are in the 35 – 44 age group. None of the Business Champions declared a disability and 13% identified their sexual orientation as 'same sex'. The pie chart below shows the religion and beliefs reflected in the Business Champion Community.

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Update 2: EDI action plan revision for 2015/16 (Annex 1)

- 5 We have taken on board the key message from the EDI Committee's feedback on the draft EDI action plan, summarised in the minutes as follows; 'a number of the draft actions were high level and would benefit from being more specified and focused, so the Committee would feel more confident that the work would deliver tangible results'.
- 6 However, we decided to keep the published EDI action plan 2015/16 at a high level and at the next meeting on 19 January 2016, provide EDI Committee with more detail of the specific operational activities underway across the business which will help us meet the high level actions. Some of these operational activities are contained within directorate business plans and in some cases delivery plans.
- 7 Although we will not be reporting to the EDI Committee against these operational actions, it will provide a flavour of the EDI work which is ongoing in the SRA to support the EDI action plan and deliver tangible results.

Update 3: Compensation Fund Claimant Data

- 8 In our EDI Progress Update in May, we presented an update on 'information on the Compensation Fund for the number of claims made against the Compensation Fund and for which category type and a 'diversity breakdown of those making claims against the Compensation Fund'. We found the highest number of claims were made because of the failure of a solicitor to pay stamp duty land tax and land registry fees.
- 9 The diversity data on those making claims was unreliable and we were not able to report on this.
- 10 Therefore in order to strengthen the evidence base to underpin reform of our financial protection arrangements we have commissioned analysis from our risk and research team to understand the vulnerability of consumers claiming and receiving payments from the fund. This analysis matches post code data of claimants to a government produced

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deprivation index in order to gain some insight into the risk factors of low income, location, lack of internet access, loss of income and others.

- 11 Our aim is to focus regulation more on consumers that need protecting rather than assuming that all consumers need an equal level of protection.

Update from the Business Champions

- 12 The SRA Business Champion Community has successfully delivered on a number of initiatives this year. This has included:

- reviewing 19 policies about information security;
- creating a community site on sra.share (SharePoint) to 'share' knowledge across the business of the community's purpose and objectives - one of which is to support the delivery of the EDI strategy and action plan;
- reviewing the PDR e-learning module to ensure ease of understanding, accessibility and use of plain language;
- encouraging staff to complete the employee engagement survey;
- having a presence during the induction process at the Business Champion 'market stall' to raise awareness of the Business Champion Community - its purpose, objectives and members; and
- promoting and actively participating in initiatives such as SRA Pride and Black History Month.

- 13 Business Champions met with Chief Executive, Paul Philip in October to summarise achievements in 2015 and plans for 2016. These include, amongst others, a focus on supporting the review on decision making review and the 'Tone of Voice' work.

- 14 The community remains committed to supporting the EDI strategy in 2015/16.

Progress in meeting Objective One

- 15 This section sets out the most recent updates from the HRD team against the actions under Objective One in the EDI Action plan:

Develop a more diverse workforce and promote an inclusive culture, equality of opportunity for all staff and the behaviours and capabilities required to regulate proportionately, fairly and free from bias.

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SRA Board and Governance - Action 1

- 16 Interviews for both Solicitor and Lay Board positions (up to 5 in total) will be completed in November. Diversity breakdown for the full campaign will be provided at the next meeting on 19 January 2016.
- 17 The Chief Adjudicator commenced recruitment in August for panel adjudicators, with the support of Human Resources and Development (HRD). Six panel adjudicators have recently been appointed. Diversity breakdown for the full campaign will be provided at the next meeting.

Staff Engagement - Action 3.6

- 18 Our employee engagement survey closed in September. Results will be presented to the senior management team during the first week of November. Results will then be shared with the Leadership Group and an overall Corporate Action plan will be agreed.

Progress in meeting Objective Two

- 19 This section sets out the most recent updates from the EDI team against the actions under Objective Two in the EDI Action plan:

Ensure that the way we operate, our rules and the decisions we make are proportionate, fair and free from bias and help firms and individuals understand and comply with our requirements

Regulatory Reform Agenda - Action 6.2

- 20 We are looking to publish a paper in the next few weeks which provides a policy update on our regulatory reform programme.

Review of our Regulatory Approach

- 21 We are looking at how we can embed equality and diversity in the review of our regulatory approach, for example what changes do we need to make and what will these changes look like. The current Handbook, for example, operates on a 'one size fits all' basis and does not reflect the current variety of legal practice. The review is therefore looking to deliver on the following objectives:

- a simpler Handbook (to make clear our expectations and ensure they are easy to comply with);
- a more segmented Handbook (to acknowledge the diversity of practice in the modern legal market);
- a more flexible Handbook (to allow for more innovation and growth) and
- a handbook which is fair, proportionate and effective.

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- 22 We want to simplify the Handbook *to improve our regulatory approach so that it is more proportionate and targeted, works better for consumers and those we regulate in the increasingly diverse legal services market and which imposes a reduced burden on those we regulate* (SRA 2014-2015 Business Plan).
- 23 We will be supporting the work to embed equality and diversity throughout the Handbook and will be looking at making and consulting on changes that are practical, proportionate and can be easily applied. A revised set of overarching principles will closely align with the principles in the Legal Services Act and a new Code of Conduct will be easier to use and flexible enough to cope with market changes.
- 24 The information we receive from our Question of Trust campaign (Professional Standards) will inform our work and review of our regulatory approach and the Handbook.
- 25 Formal consultation on our regulatory approach opens in spring 2016 and pre consultation will take place from December 2015 to March 2016.

Previous Consultation on Chapter 2

- 26 At its meeting on 9 September, the SRA Board agreed the inclusion of a new Outcome 2.6 to the SRA Code of Conduct 2011 to reflect the requirement for firms to have in place appropriate arrangements for monitoring, reporting and publishing workforce diversity data. There will also be an amendment to the Indicative Behaviours to clarify that firms' written equality and diversity policies need not be contained in one separate document.

Training for Tomorrow

- 27 The 2014 SRA Education and Training regulations have been revised to enable qualification as a solicitor through an apprenticeship route. The new regulations will be implemented as part of the November 2015 handbook changes.
- 28 Three new legal apprenticeship standards have been developed and were approved by the Department for Business, Skills and Innovation (BIS) in 2014. The associated assessment plans were then approved by BIS in September 2015.
- apprenticeship standard leading to qualification as a solicitor;
 - apprenticeship standard for a paralegal; and
 - apprenticeship standard leading to qualification as a chartered legal executive.
- 29 The [Solicitor Apprenticeship standard](#) is based on our [Statement of Solicitor Competence](#). The Solicitor Apprenticeship standard is set at Level 7, postgraduate level. It is expected to be available for delivery from autumn 2016 and to take 5 to 6 years to complete.
- 30 We have BIS and the employer panel's agreement that the centralised apprenticeship assessment will not be available before 2018, which could enable us to bring together the

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apprenticeship assessment and the QLTS assessment for international solicitors. Depending on the outcomes of our work to develop a new qualification framework aligned to the Competence statement, we may even be able to develop a common professional assessment for all intending solicitors.

- 31 A [Level 7 Higher Apprenticeship](#) in Legal Practice, leading to qualification as a solicitor in Wales, was approved by the Welsh government in March 2015. This apprenticeship was developed Skills for Justice, working with employers, professional bodies and the SRA.
- 32 We are engaging with the Black Solicitors Network (BSN) and are organising two focus groups in Birmingham and London with BSN members, who include both students and solicitors on the common professional assessment for solicitors.

Stakeholder Engagement

- 33 We are continuing to engage with our equality stakeholders to make sure they are able to contribute to our work on our regulatory reform programme.
- 34 We held a Question of Trust (QoT) session with the Lawyers Disability Division in October and will be holding a session with the National Association of Gypsy and Travellers Officers (NAGTO) on 13 November.
- 35 We set up an [equality, diversity and inclusion virtual reference group](#) earlier this year. This is a quick and easy way to engage with us about equality in our regulatory reform programme. We currently have 23 members and are promoting this virtual reference group further via LinkedIn and Twitter.

Liberal Democrat Party Conference Fringe Meeting on Equality and Diversity

- 36 In September, the SRA had a successful presence at the Liberal Democrat's party conference on the subject of 'equal in the eyes of the law; diversity in the legal sector'. This was a really successful event attended by over 50 members. SRA Board member and EDI Committee Chair, Moni Mannings was joined on the panel by Liberal Democrat President Baroness Sal Brinton and Ruth Hunt, the CEO of Stonewall, amongst others. The event was well attended with a number of MPs, members of the House of Lords and local councillors in the audience taking part in the discussion.

Black Solicitors Network Diversity League Table

- 37 We are supporting the publication of the diversity league tables again this year. We have submitted a welcome statement by Enid Rowlands in the Diversity League Table publication and will be attending the launch and awards ceremony this November.

Embedding Equality and Diversity and Inclusion

- 38 The EDI team have been working with the business to help ensure a consistent level of understanding and performance in relation to EDI across all directorates. Each directorate agreed to include an EDI priority in their business plan. Directorates will

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measure their performance against various outcomes such as consistently monitoring data and information on our decisions and using this information to effect change.

- 39 Ownership and delivery of EDI outcomes will sit with executive directors.

Diversity Monitoring our Regulatory Work - Action 9

- 40 We are reviewing our approach to the diversity monitoring of some of our regulatory decisions and will provide the EDI Committee with an update at our next meeting on 19 January 2016.
- 41 EDI Committee are aware that we delayed publication of our annual monitoring report in May 2015 pending this review and the new timetable for meeting our actions in this area were set out in the revised action plan.
- 42 The current actions are as follows:
- 9.1a Review our approach to diversity monitoring our regulatory work to ensure we are monitoring all key areas of our decision making to identify any disproportionality by December 2015.
 - 9.1b Publish an annual report of our regulatory monitoring data by December 2015.
 - 9.1c Publish at least 2 additional reports looking in more detail at an agreed area of disproportionality by April 2015 and November 2015.
- 43 We are confident that we will be in a position to meet action 9.1(a) and will review actions 9.1 (b) and 9.1 (c) in the light of the advice received.

Progress in meeting Objective Three

- 44 This section sets out the most recent updates from the EDI team against the actions under Objective Three in the EDI Action plan:

To work with those we regulate to support them in achieving a more diverse and inclusive profession

Promoting diversity in the profession - Action 12

Firm diversity data

- 45 The portal for reporting opened on time on 12 August 2015 with a planned deadline for all firm submissions by 30 September 2015. Firms created on or after 1 July 2015 are not expected to report diversity data in 2015.
- 46 We launched the collection period to the profession on 13 August 2015, sent reminders on 10 and 22 September 2015 and on 5 October 2015, emailed firms which had missed the deadline and asked them to submit as soon as possible.

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- 47 The EDI team started proactively contacting firms which had not completed submitted their data in the final two weeks of October, calling or emailing over 300 firms.
- 48 We will be reporting on the basis of the data as at 31 October 2015 and will be analysing the data in the next few weeks. Participation in the survey by firms and individuals this year was good.
- The firm response rate was 88% (9,033 firms submitted their data out of 10,316 firms from which we were expecting data). The response rate in 2014 at the end of the extended deadline was 86%.
 - There were 1,128 non compliant firms as at 31 October 2015, of which 442 (39%) are sole practices. There was a similar number of non compliant firms at the extended deadline in 2014.
 - 171,255 people responded to the survey across the whole firm population. In 2014 it was 166,980.
 - The average response rate per firm was 75%. In 2014, the average response rate was 79% (which was inflated because the reporting tool was not clear in 2014).

Working with the Law Society and other representative bodies – Action 12.1

- 49 We are continuing to work with the Law Society and other representative bodies to see if we can work together more closely to share data and information on equality, diversity and inclusion and the subject of disproportionality.

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Supporting information

Links to the SRA Business Plan/ EDI Action Plan

50 Links to the specific actions in the EDI Action Plan are provided in the body of the paper.

How the action will be evaluated

51 The EDI strategy sets out more detail about how we will evaluate our performance against the EDI Action plan and an annual progress report will be published.

What equality and diversity considerations relate to this issue

52 The update report relates to the progress being made against the EDI strategy.

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Date 16th November 2015

Annexes

Annex 1 Equality Diversity and Inclusion (EDI) Action Plan 2015/16

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Annex 1 - Equality Diversity and Inclusion (EDI) Action Plan 2015/16

This is our second annual action plan under our three year [Equality, Diversity and Inclusion strategy](#) 2014/15 to 2016/17.

We made good progress against the first action plan for 2014/15 which was refreshed following our mid year review ([revised action plan](#)). A full report against our work in 2014/15 is available (link when available).

Objective 1 - develop a more diverse workforce and promote an inclusive culture, equality of opportunity for all staff and the behaviours and capabilities required to regulate proportionately, fairly and free from bias.			
No.	Activity	Responsibility	Delivery Date
1	Monitor the work of the SRA Board and the other SRA committees, to ensure that equality, diversity and inclusion is fully integrated into their business and decisions.	Jane Malcolm	January 2016
2	Take steps to attract a wide and diverse range of candidates when vacancies arise on the SRA Board and Committees to continue to make the SRA a more diverse organisation at all levels.	Pamela Harding	December 2015
3	Develop, deliver and evaluate the impact of a mandatory bespoke Inclusive Leadership / Working programme for the SRA Board, Committees and all SRA staff to improve knowledge and learning on what inclusive working / leadership means and to increase confidence and build key skills. This will include workshops and tools such as the Strength Deployment Inventory, to improve how we work together and to support staff to feel confident in raising any concerns and to understand their own responsibilities in the workplace.	Pamela Harding	May 2016
4	Identify the equality, diversity and inclusion training needs of staff in fulfilling their specific role within the SRA, and built this into the SRA technical training programme.	Robert Loughlin	October 2016

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5	Apply under Stonewall's Workplace Equality Index programme in 2016 and be rated within the Top 100.	Pamela Harding	January 2017
6	Explore other benchmarks e.g. for race or gender.	Pamela Harding	January 2016
7	Develop our corporate social responsibility (CSR) work to identify how we can make it more inclusive.	Jane Malcolm	October 2016
Objective 2 - ensure that the way we operate, our rules and the decisions we make are proportionate, fair and free from bias and help firms and individuals understand and comply with our requirements.			
No.	Activity	Responsibility	Delivery Date
8	Embed equality, diversity and inclusion into our programme of regulatory reform, to ensure our regulation is more targeted and proportionate.	Crispin Passmore	Ongoing
9	Review our decision making criteria and embed equality and diversity in our decision making framework and supporting processes.	Juliet Oliver	June 2016
10	Develop and establish a revised and improved quality assurance function and processes so as to demonstrate that our regulatory decisions are fair, consistent and free from bias.	Robert Loughlin	October 2015 and ongoing
11	Investigate if and how we can collect diversity data in relation to complainants.	Robert Loughlin	June 2016
12	Review our approach to diversity monitoring our regulatory work to ensure we are monitoring all key areas of our decision making to identify any disproportionality and set an appropriate timetable for publishing regular monitoring reports.	Jane Malcolm	December 2015
13	Undertake a detailed investigation into at least two areas of decision making where we have identified disproportionality.	Jane Malcolm	December 2016

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14	Review our approach to recording and monitoring reasonable adjustment requests to identify trends and ensure consistency.	Jane Malcolm	October 2016
15	Engage with all sectors of the regulated community about professional standards to explore attitudes about the relative seriousness of regulatory events that are referred to us.	Jane Malcolm	June 2016
16	Explore the possibility of establishing an equality network with legal and other regulators to share information and best practice on EDI in regulation.	Jane Malcolm	October 2016
17	Review our Interpretation and Translation services to ensure we are inclusive and accessible and provide appropriate material in Welsh and other languages.	Jane Malcolm	Sept 2016
18	Review our approach to identifying and supporting vulnerable stakeholders	Jane Malcolm	April 2016
Objective 3 - to work with those we regulate to support them in achieving a more diverse and representative profession.			
No.	Activity	Responsibility	Delivery Date
19	Demonstrate SRA leadership in the wider debate about equality and diversity in the profession.	Jane Malcolm	Ongoing
20	Identify opportunities to promote diversity and social mobility through our training for tomorrow programme.	Crispin Passmore	Ongoing
21	Review our approach to the collection, monitoring and publication of diversity data about the profession.	Jane Malcolm	October 2016
22	Review compliance with the diversity data publication requirement on firms and identify ways to improve compliance and promote best practice through work with firms.	Jane Malcolm	Sept 2016
23	Consider ways to identify the key barriers to diversity in relation to recruitment and career progression in law firms through research and engagement with the profession.	Jane Malcolm	July 2016

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24	Develop a strategy for promoting good practice in the profession in relation to recruitment and career progression.	Jane Malcolm	October 2016
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