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TRANSPARENCY “THE CORNERSTONE OF A MORE DIVERSE LEGAL PROFESSION”

LSB TO REQUIRE REGULAR SURVEYS AND PUBLICATION BY FIRM AND REGULATORS

The Legal Services Board - the independent body overseeing the regulation of lawyers in England and Wales – has today [published statutory guidance](#) requiring regulators, law firms and chambers to measure levels of diversity and social mobility in the legal workforce. It calls for the approved regulators to reflect the guidance in action plans to be implemented during the course of the next 18 months.

From 2012, the LSB envisages that approved regulators will oblige most law firms and chambers to launch regular surveys to give each individual in their workforce an opportunity to self-classify against the characteristics set out in the Equality Act: *age, gender, disability, ethnic group, religion or belief, sexual orientation* and *caring responsibilities*. It also specifies that data should be collected on *socio-economic background* to ensure that questions of social mobility are specifically addressed for the first time. Importantly, staff will have the option to indicate that they would ‘prefer not to say’ if they do not wish to answer.

Approved regulators in the sector will collect and publish data to gain an aggregate view of the diversity make-up of each branch of the legal profession in England and Wales. However, the Board also expects approved regulators to ensure that anonymised results are published at firm/chambers level across all the characteristics (except sexual orientation and religion or belief). The Board

considers that this step will help both firms and regulators identify variations in performance that call for action and so that consumers can take better account of diversity in purchasing decisions.

These decisions come as part of the LSB's work to meet the obligation in the Legal Services Act 2007 to promote an independent, strong, diverse and effective profession. Approved regulators are therefore also being asked to evaluate existing initiatives more rigorously and the Board will work with them to more effectively share and implement best practice.

At the end of 2010, when initial proposals were released, the leaders of a range of national equality charities called for the approach being taken in the legal services industry to be rolled-out across the private sector. Signatories to a joint letter covered in the national press at that time included the Chief Executives of Age UK, MENCAP, the Fawcett Society, the RNIB, Sense, Scope, the Lesbian and Gay Foundation, Operation Black Vote, the Sutton Trust, RADAR and the Disability Law Service.

Legal Services Board Chairman David Edmonds said:

The legal profession is, rightly, well-regarded and held in high esteem – but exclusivity diminishes, rather than enhances, its reputation. It needs to be open to all if we are to widen the pool of talented lawyers for the future. The Legal Services Act makes clear that this is an issue for regulators as well as professional bodies. That's why we are today mandating concrete action, rather than good intentions, to drive progress forward.

The new requirements to measure the diversity of the workforce and publish results serve two purposes. Firstly, these measures will create commercial incentives to widen the base of lawyers by shining a light for consumers on the adequacy levels of diversity within firms. Secondly, the aggregate data will improve the ability of the regulators to shape new initiatives to improve diversity across the profession. Transparency has to be the cornerstone for further progress.

I'm delighted by the number of organisations who have considered the proposals carefully and responded positively through our consultation. I look forward to this support growing as approved regulators move into the implementation phases.

For more information please contact Craig Jones, Media and Public Affairs Manager, on craig.jones@legalservicesboard.org.uk or by calling 020 7271 0068 / 07702 428210.

Notes for editors:

1. The decision paper setting out the new duties can be found on the [LSB website](#).
2. Existing data and research illustrates that there are still significant barriers to progression and retention for practitioners, and diminishing representation for lawyers from non-traditional backgrounds at the highest levels of the profession. For example, just 25% of partners in solicitors firms are women and 3.5% of partners in the top 150 firms are black or minority ethnic. ([LSB consultation document, December 2009](#))
3. The Legal Services Act (“The Act”) created the Legal Services Board as a new regulator with responsibility for overseeing the regulation of legal services in England and Wales. The new regulatory regime became active on 1 January 2010.
4. One of the Regulatory Objectives of the Act is to “encourage an independent, strong, diverse and effective legal profession”.
5. The LSB oversees eight Approved Regulators, which in turn regulate individual lawyers. The Approved Regulators, designated under Part 1 of Schedule 4 of the 2007 Act, are the Law Society, the Bar Council, the Master of the Faculties, the Institute of Legal Executives, the Council for Licensed Conveyancers, the Chartered Institute of Patent Attorneys, the Institute of Trade Mark Attorneys and the Association of Costs Lawyers.
6. In addition, the Institute of Chartered Accountants in Scotland and the Association of Chartered Certified Accountants are listed as Approved Regulators in relation only to reserved probate activities.
7. The legal profession currently consists of some 15,000 barristers, 119,000 solicitors and 12,000 individuals operating in other aspects of the legal profession such as conveyancing. The sector is currently valued at £24.74 billion per annum (total turnover in 2009).
8. The following letter was signed by the Chief Executives of a number of national equality charities during December 2010.

We write as the leaders of organisations that campaign for equality. The need to ensure that all potential is unlocked is crucial – not just in making ambitions achievable for all, but also in ensuring that the business leaders of the future represent the best and brightest of each generation, and not just those from privileged backgrounds.

While we have seen a step-change in commitment, the elite levels of the professions remain exclusive. We welcome proposals for law firms and barristers' chambers of all sizes to be obliged to gather and publish data about the diversity of their workforce – stretching across all levels from partners to support staff. Transparency is a powerful tool to change behaviour.

A requirement to publish details of the diversity of all businesses increases scrutiny by regulators, while this information is increasingly used by corporate consumers as a factor in procurement. We would welcome the extension of this higher level of scrutiny across each of the professions. A commitment to increasing diversity must be more than a feelgood also ran when it comes to business planning – it needs to be at the centre of creating an attractive offer to consumers. Throwing open the doors of the professions to greater transparency can be a major force for economic recovery.

Michelle Mitchell [Age UK](#), **Mark Golding** [Mencap](#), **Lesley-Anne Alexander** [RNIB](#), **Simon Woolley** [Operation Black Vote](#), **Ceri Goddard** [The Fawcett Society](#), **Paul Martin** [The Lesbian and Gay Foundation](#), **Liz Sayce** [Radar](#), **Gill Morbey** [Sense](#), **Richard Hawkes** [Scope](#), **Peter Lampl** [The Sutton Trust](#), **Michael Webster** [Black Solicitors Network](#), **Shams Rahman** [Society of Asian Lawyers](#), **Christl Hughes** [Association of Women Solicitors](#), **Linda Clarke** [Disability Law Service](#)