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15 February 2017

Dear Regulator,

Diversity decision document and statutory guidance

I am pleased to write to you and attach the LSB's decision document and revised guidance for regulators on improving diversity in the legal sector. We received 19 responses to our consultation that ran from September to December 2016. The responses contained a range of helpful comments and questions with regard to our proposals. You will see that we have made minor changes to the guidance in the light of the consultation.

During the consultation period, we invited all of the regulators to discuss the proposals with us. The regulators we met with found it helpful to clarify what we hope to achieve through the new guidance. I was encouraged by the feedback I received from the team about these meetings. Diversity is an area on which the LSB places great importance and we remain of the view that a more diverse profession will support the delivery of legal services and encourage innovation in the sector.

The new guidance takes a less prescriptive approach than the version that preceded it. This is not the LSB 'stepping back' from diversity; instead quite the reverse. Rather, we consider that the greater flexibility offered to the regulators in this guidance will help you and the sector to find new ways of developing diversity and to assist in new ways of collecting and using the valuable data gathered over the last five years. I hope that you will agree that the new guidance will support the work already done in this area for instance by the BSB and SRA, and encourage those still developing their approach to continue to work towards a more diverse legal sector.

A key part of delivering the outcomes in this guidance is collaboration; I am confident you will use this opportunity to work together to improve the diversity of the profession, and I look forward to hearing about your progress in August 2017.

We remain committed to a diversity performance assessment. This will run annually and we will ask regulators to demonstrate how they are working towards delivering the outcomes set out in the guidance. The team will contact operational colleagues in August 2017 and hold initial discussions on how the guidance is supporting work and what you have done in the first six months since publication. We will use the information collected from regulators to formalise the assessment process and the first formal performance assessment will be in

August 2018. We invite regulators to comment throughout the first 18 months and we will consider all information provided when planning the performance assessment.

Finally, we have considered whether it will be necessary for you to amend your regulatory arrangements to respond to the revised guidance. While recognising that changes require approval to be effective, we are keen to ensure that the approval process is not an obstacle to developments. My colleague, Dawn Reid, will be in touch with the usual rules change contacts to discuss this further.

I look forward to continuing working with you all on this important issue, and I would very much like to thank all of you and your colleagues for engaging in the process.

Yours sincerely,

Neil Buckley