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| Meeting | OLC Board Meeting | Agenda Item Paper No. | 5 137.4 |
| Date of meeting | 29 January 2024 | Time required | 35 minutes |
| Title | EDI update | | |
| Sponsor | Paul McFadden | | |
| Status | OFFICIAL | | |

Executive summary

This paper provides an update on our progress against the Equality, Diversity, and Inclusion (EDI) strategy and action plan for 2024-25, highlights key achievements, and outlines upcoming priorities.

EDI Strategy and Action Plan

We are on track to deliver all key deliverables from the 2024-25 EDI Action Plan, with 84% of the plan already completed. The activities align with the strategic enablers in the OLC business plan, the HR People Strategy, and our Equality Priority Objectives. Regular updates and engagement sessions, including quarterly EDI Steering Group meetings and briefings with leaders, ensure transparency and organisation-wide involvement.

Key Achievements

Significant progress has been made, including the development of a menopause policy, updated guidance on managing unacceptable customer behaviour, external website accessibility testing, and disability awareness training for leaders. Our work continues to enhance inclusion and support a positive organisational culture.

Gender Pay Gap Monitoring (2024)

Our 2024 mean gender pay gap decreased from 11% to 8%, below the public sector average of 11.5%. The median pay gap decreased from 5% to 4%, also significantly lower than national averages. This progress reflects our ongoing commitment to gender equality, despite structural challenges arising from workforce distribution across pay grades.

External Engagement

We strengthened external partnerships, attending 25 EDI events so far this year, exceeding last year's total. Insights gained have been shared with internal stakeholders to support service improvement and professional development. Notable recent engagement includes discussions with the Ministry of Justice on LGBTQ+ inclusion best practices, which will inform future initiatives.

Upcoming Initiatives

We plan to enhance social mobility reporting by including Ombudsman colleagues in this year's analysis, providing a more comprehensive view of leadership diversity. Race Equality Week in February 2025 will feature a four-day challenge encouraging colleagues to take action on race inclusion, aligned with the national theme, "Every Action Counts."

This update demonstrates our continued progress towards achieving our EDI objectives and our commitment to fostering an inclusive and equitable environment within LeO.

Recommendation / action required

The Board are asked to **comment** on this EDI update.

EDI implications

Yes

The EDI strategy is a key part of LeO's work to ensure we are compliant with relevant EDI legislation and best practice. It is also key in terms of supporting our people and our customers, having impacts on candidate attraction, staff engagement, staff retention, and customer accessibility and satisfaction.

Freedom of Information Act 2000 (Fol)

Paragraph reference

Fol exemption and summary

N/A

N/A

EDI strategy update

EDI action plan

All the key deliverables from our 2024-25 action plan are on track to be completed by the end of the financial year. Our action plan is 84% complete. The full list of activities with their completion status are provided below in the appendix. All key deliverables in the plan are presented in a way that highlights the 'golden thread' starting with the strategic enablers in the OLC business plan, through to the key themes from the HR People Strategy, and finally flowing through to the Equality Priority Objectives.

Engagement within LeO on our commitment to EDI and progress against our commitments remains an important part of this. We have continued to keep colleagues across the organisation informed and involved on progress through our quarterly EDI Steering group, updates to managers and leaders, attendance at Operations briefings, Executive Team updates; bi-monthly meetings with Network Leads; quarterly meetings between the network and Executive Team Sponsors; and wider News in Brief updates.

EDI team updates

Our EDI specialist is leaving LeO at the start of February. We are working to complete a full handover of their activities. We are now working with HR on a plan to recruit a replacement. To mitigate a risk around EDI data analysis, we have arranged for our BI team to support by taking over the competition of our annual workforce diversity data analysis.

Key achievements 2024/25

Some key achievements from our 2024/25 work include:

- Developing a new menopause policy.
- Completing a full review and update of our managing unacceptable behaviour policy for customers.
- Commissioning some external user accessibility testing of our LeO website.
- Completing a full review and update of our Welsh Language Scheme.
- Developing some new microaggressions guidance to support our colleagues.
- Contributing to our inclusive culture and supporting the ongoing development of our leaders by providing disability awareness training.

Gender pay gap progress – 2024 results

Annual monitoring of our gender pay gap allows us to track the impact and success of our gender equality related activities. The positive headline is that we have seen a decrease in our mean gender pay gap for 2024. Our mean gender pay gap is 8%. This figure has decreased by 3% since last year (11% to 8%) and continues to remain below the public sector average of 11.5%. Our median gender pay gap is 4%. This figure has decreased by 1% since last year (5% to 4%) and is significantly lower than the public sector (14%) and UK national figures (14.3%).

| Gender Pay Gap | 2023 | 2024 | % change |
|-----------------------|-------------|-------------|-----------------|
| Mean | 11% | 8% | -3% |
| Median | 5% | 4% | -1% |

On 31 March 2024, LeO had 307 employees which comprised of significantly more females (68.1%) than males (31.9%). 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. Three key factors remain constant year on year that impact LeO's gender pay gap; the high proportion of females in the LeO workforce, the uneven distribution of males in our upper quartile pay band and the fact that females are significantly overrepresented in the lower quartile pay band.

We can provide assurance that there is an ongoing commitment to gender equality at all levels within the organisation.

External activities

We have continued to make significant positive progress with external engagement activities which is a key aspect of our updated EDI strategy. From an external perspective we have been pro-active in maintaining links with Ombudsman and Regulators. We have also built new links with organisations that promote best practice in the EDI space and support vulnerable customers.

The EDI manager has attended 25 events so far (5 more than the whole of 2024-25). We have been proactive in sharing insights from those sessions with the Executive Team, Operational Leads and HR to contribute to our culture of service improvement. We also share these updates with our Network Leads to support their continuous professional development.

One notable recent interaction was with the MoJ where we discussed LGBTQ+ inclusion best practices. We obtained lots of useful feedback and materials that will support our work in 2025-26 around LGBTQ+ inclusion and Race inclusion.

Social mobility reporting

Last year we reported on OLC Board, Executive Team colleagues and line managers. This year we will also include our Ombudsman colleagues. The purpose

of extending this analysis is to add greater transparency to our understanding of the social economic diversity of our leaders.

The survey will be issued w/c Monday 5 February. We would appreciate if colleagues could take 5 minutes to complete it that week. We will share the results of the survey in Q1.

Race Equality Week plans (w/c 5 February)

The ReW 2024 theme is '**Every Action Counts**' aimed at galvanising everyone to take action to support race inclusion in the workplace. We will be asking colleagues to take part in a 4-day challenge that has different activities to engage in. Each daily activity takes about 5 minutes, and this will include articles and videos to help colleagues reflect and take action to drive race equality. The plan of what we will be doing during ReW is detailed below for your awareness.

| Day | Activity |
|----------------------|-------------------------------------------------------------------------------------------------------------------------------------|
| Monday 3 February | Issue zero tolerance statement to racism, bullying and harassment from Paul. |
| Tuesday 4 February | Promote the new microaggressions guidance (incl. video on the topic). |
| Wednesday 5 February | Race at Work charter framework - promote what this is and the work we have done to be compliant with this race inclusion framework. |
| Thursday 6 February | 'My name is' initiative (re-promote). |

Appendix – EDI Strategy 2023-27

Equality Priority objectives

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| Representative workforce | <ul style="list-style-type: none"> We will work towards increasing the diversity of our workforce at all levels to reflect the communities and the customers that we serve. |
| Inclusive place to work | <ul style="list-style-type: none"> We will provide an accessible and inclusive working environment where our people are treated fairly, are able to perform to the best of their abilities and get support in developing and growing their careers. |
| Customer service and accessibility | <ul style="list-style-type: none"> The needs and rights of people who share protective characteristics are at the forefront of the design and delivery of our service. |

Representative workforce aims

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| Activities in this EPO over the next four years are to: |
| Build robust workforce EDI data to enable us to assess representation at all levels. |
| Use this insight to target and implement initiatives aimed at increasing representation and access to opportunity. |
| Have systems in place to track EDI data for all of LeO's recruitment and development opportunities. |
| Achieve compliance with the Race at Work Charter. |
| Develop and deliver our first ethnicity pay gap report (building on our annual gender pay gap reporting). |
| Ensure external presentation of LeO represents diversity. |
| Ensure our suppliers and partners align to LeO's commitment to diversity and inclusion. |

Inclusive place to work aims

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| Activities in this EPO over the next four years are to: |
| Ensure our policies are developed to fulfil our legal obligations and taking on board EDI industry best practice. |
| Ensure our recruitment processes and workplaces are accessible and inclusive (through the achievement of Disability Confident Level 2 and Level 3 accreditations). |
| Develop and implement initiatives to support access to opportunity (e.g., traditional mentoring, reverse mentoring programmes). |
| Develop and implement initiatives to support staff development and progression |
| Complete annual social mobility reporting of LeO's management. |
| Support and develop our staff networks to promote EDI activities and an inclusive culture at LeO. |
| Enhance our annual programmes of EDI awareness activities with includes learning opportunities for LeO staff. |
| Support managers to increase their knowledge of disability (utilising resources such as our membership of the Business disability forum and via Civil service-learning resources). |

Customer service and accessibility aims

Activities in this EPO over the next four years are to:

Build a customer EDI dataset that will enable us to understand our diversity customer profile and how our service impacts on them (customers EDI info, impacts of scheme rule changes, outcomes, service complaints).

Identify organisations that support vulnerable customers and customer consumer panels. Proactively develop links with them to promote our services and take insights from their work that can support LeO's work.

Engage with other Ombudsmen organisations and Regulators to seek out best practice and use that to improve our service.

Provide annual accessibility training for all staff to enhance their knowledge to support their customers.

Contribute to the external engagement work of LeO by providing EDI insights data that can be shared with the profession aimed at reducing complaints, supporting customers with protected characteristics, and improving the quality of complaint resolution.

EDI Strategy - 2024/25 Action Plan

| OLC Business Plan strategic enablers alignment | HR People Strategy theme alignment | Equality Priority Objective | Activity | Start | Completion target | Progress |
|------------------------------------------------|-----------------------------------------------------|---------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|-------------------|-------------|
| People and culture | Develop and support | - Representative workforce - Inclusive place to work | Run safe space sessions with Networks to capture feedback from the Civil service people survey <i>(Use results to inform EDI/ HR strategies – April 24)</i> | Q1 | Q1 | Completed |
| People and culture | Develop and support | - Representative workforce - Inclusive place to work | Arrange for line managers to have some disability training on Autism. <i>(June 24)</i> | Q1 | Q1 | Completed |
| People and culture | Develop and support | - Representative workforce - Inclusive place to work | Produce some guidance to support staff/managers on the topic of dealing with micro-aggressions. Review the unacceptable behaviour policy (customers). | Q1 | Q3 | Completed |
| People and culture | Develop and support | - Representative workforce - Inclusive place to work | Support the running of the annual traditional mentoring programme (L&D leading on this). | Q1 | Q3 | Completed |
| People and culture | Promote engagement, equality, inclusion & wellbeing | - Representative workforce - Inclusive place to work | Deliver annual calendar of EDI awareness raising activities. | Q1 | Q4 | In progress |
| People and culture | Attract, recruit, and retain | - Representative workforce - Inclusive place to work | Complete annual review of EDI policies and guidance. | Q2 | Q2 | Completed |
| People and culture | Develop and support | - Customer service and accessibility | Arrange for line managers to have some disability training on (ADHD) attention deficit hyperactivity disorder <i>(Sept 24)</i> | Q2 | Q2 | Completed |
| People and culture | Develop and support | - Representative workforce - Inclusive place to work | Develop menopause support guidance for staff/managers. | Q2 | Q4 | Completed |
| People and culture | Promote engagement, equality, inclusion & wellbeing | - Representative workforce - Inclusive place to work | Start scoping out a 'transitioning at work' guidance (aiming to deliver this guidance in year 3 of the strategy - 2025/26 financial year). | Q2 | Q4 | Completed |

| OLC Business Plan strategic enablers alignment | HR People Strategy theme alignment | Equality Priority Objective | Activity | Start | Completion target | Progress |
|------------------------------------------------|-----------------------------------------------------|---------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|-------------------|-------------|
| People and culture | Develop and support | - Representative workforce - Inclusive place to work | Lead on the annual reverse mentoring programme. | Q3 | Q4 | In progress |
| People and culture | Develop and support | - Customer service and accessibility | Arrange for line managers to have some disability training on dyslexia. <i>(Jan 25)</i> | Q4 | Q4 | In progress |
| People and culture | Develop and support | - Customer service and accessibility | Deliver annual vulnerable customer champion (VCC) training for new managers and specialists. <i>(Feb 25)</i> | Q4 | Q4 | In progress |
| OLC Business Plan strategic enablers alignment | HR People Strategy theme alignment | Equality Priority Objective | Activity | Start | Completion target | Progress |
| Relationships and collaboration | Promote engagement, equality, inclusion & wellbeing | - Customer service and accessibility | Take part in SRA commissioned research (related to measuring consumer vulnerability in the legal sector). | Q1 | Q1 | Completed |
| Relationships and collaboration | Attract, recruit, and retain | - Representative workforce - Inclusive place to work | Identify industry best practice to inform our LeO LGBTQ+ inclusion action plan. | Q1 | Q2 | Completed |
| Relationships and collaboration | Attract, recruit, and retain | - Representative workforce - Inclusive place to work | Identify industry best practice to inform our LeO Reach inclusion action plan. | Q1 | Q2 | Completed |
| Relationships and collaboration | Promote engagement, equality, inclusion & wellbeing | - Customer service and accessibility | Work with external communications to commission some market research to determine consumer awareness of LeO and support the identification of silent suffers. | Q1 | Q3 | Completed |

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| Relationships and collaboration | Promote engagement, equality, inclusion & wellbeing | - Customer service and accessibility | Arrange for LeO Staff network Leads to meet with other Ombi staff network leads to seek out and share best practice. | Q1 | Q3 | Completed |
| Relationships and collaboration | Promote engagement, equality, inclusion & wellbeing | - Customer service and accessibility | Seek out best practice to contribute to improving LeO's work through networking activities with Ombuds, Regulators, EDI industry networks that support vulnerable customers. Share insights with LeO colleagues. | Q1 | Q4 | Complete |
| Relationships and collaboration | Promote engagement, equality, inclusion & wellbeing | - Customer service and accessibility | Complete a full review and update of our LeO Welsh Language Scheme. | Q2 | Q4 | Complete |
| OLC Business Plan strategic enablers alignment | HR People Strategy theme alignment | Equality Priority Objective | Activity | Start | Completion target | Progress |
| Systems and intelligence | Attract, recruit, and retain | - Representative workforce - Inclusive place to work | Complete annual workforce diversity analysis. | Q1 | Q1 | Completed |
| Systems and intelligence | Promote engagement, equality, inclusion & wellbeing | - Customer service and accessibility/ | Continue to use eligibility checker data to identify if customers with protected characteristics are being disproportionately affected by our scheme rules changes. | Q1 | Q3 | Completed |
| Systems and intelligence | Attract, recruit, and retain | - Customer service and accessibility/ | Review the accessibility of our LeO website and address accessibility gaps (work with IT; external comms; developers to address any accessibility issues following this review). | Q1 | Q4 | Completed |
| Systems and intelligence | Promote engagement, equality, inclusion & wellbeing | - Customer service and accessibility/ | Complete a project with the aim of increasing LeO customer EDI data capture rates (moving our customer EDI questions from the eligibility checker to the online complaint form). | Q1 | Q4 | In progress |
| Systems and intelligence | Attract, recruit, and retain | - Representative workforce - Inclusive place to work | Produce annual Gender Pay Gap report. | Q3 | Q3 | Completed |

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| Systems and intelligence | Promote engagement, equality, inclusion & wellbeing | <ul style="list-style-type: none"> - Representative workforce - Inclusive place to work | Complete annual social mobility reporting exercise (Board/Executive Team/Line Managers/Ombudsman). <i>(Feb 25)</i> | Q4 | Q4 | In progress |
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