



Financial Services Authority

Single Equality Scheme

2010-2013

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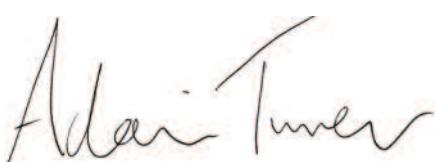
Foreword

We are pleased to introduce our Single Equality Scheme 2010-13 (the Scheme). The Scheme sets out our ambitions for the next three years, building and improving on our achievements so far. It describes how we will continue to meet our legal equality duties over the next three years and explains why we have chosen our key themes and objectives. It also covers our workforce profile, how we manage diversity at the FSA and our diversity projects and events.

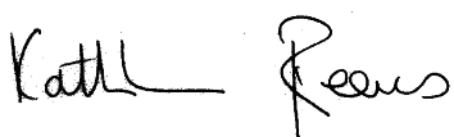
The concept of 'diversity' is about valuing and respecting differences and understanding that people have varied needs. Understanding diversity is essential to being an **employer of choice** and an **effective regulator**. Our Scheme demonstrates our commitment to promoting equality and diversity in all areas of our work, both as an employer and as a regulator. It will steer the good work already undertaken at the FSA and further enhance our dedication to diversity and equality.

Although we have made good progress in achieving our goals, we recognise there is still more to be done. This is why we are committed to providing the highest level of leadership for this agenda. This is essential to ensure the Scheme's success and to ensure that promoting equality becomes a part of the 'way we do things' at the FSA. This is our first Single Equality Scheme.

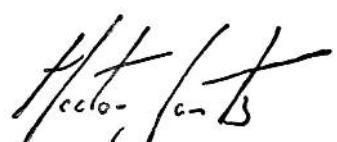
We would like to thank everybody who has participated in the consultation process on our Scheme and whose feedback has helped us to develop our new Scheme and action plan.



Lord Adair Turner
Chairman



Kathleen Reeves
Human Resources Director



Hector Sants
Chief Executive Officer



Margaret Cole
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The FSA Communications Division
All FSA staff
Age UK
Solicitors Regulatory Authority
3D Change
Race for Opportunity
Opportunity Now
Stonewall
The FSA's independent panels (Practitioner, Smaller Businesses Practitioner, and Consumer)
General public, via the FSA website

Introduction

This is our first Single Equality Scheme, which forms an essential part in helping us to become an employer of choice and a better regulator. It demonstrates how we will promote equal opportunities across the eight protected characteristics: age; disability; gender; gender reassignment (transgender); pregnancy and maternity; race; religion or belief; and sexual orientation.

We also have a public sector equality duty under the Equality Act. The public sector equality duty is expected to come into force by April 2011.

The introduction of the Single Equality Scheme coincides with the implementation of our Equality Impact Assessment (EIA) training and diversity training programmes.

These changes demonstrate our ever-increasing efforts to:

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The Scheme's action plan sets out commitments that go beyond our statutory obligations as a public body. Each action identifies areas for improvement. We are keen to achieve our diversity objectives in the next few years, monitoring, reviewing, and updating our performance annually across all Business Units.

The Scheme will also be published on our website at www.fsa.gov.uk.

Our diversity vision statement – Promoting equality and valuing diversity

Our diversity vision

We are committed to promoting equality and diversity in all areas of our work as an employer and a regulator.

1. We are dedicated to valuing diversity and creating a positive culture within the FSA.
2. We have a vision of an FSA that is vibrant, fair, inclusive and diverse, and where there is respect and understanding.
3. We welcome applicants from diverse backgrounds and we want our staff to be proud of their shared values and identity and to work together to secure our vision.

We believe that differences should be recognised, supported and celebrated. This statement is a demonstration of our commitment to be an employer of choice, which will in turn make us a more effective regulator. It builds on the excellent work we have already undertaken and further enhances our dedication for diversity and equality.

Our diversity values

We value diversity in our role as an employer and regulator. To achieve this we will:

1. Promote equality of opportunity and eliminate discrimination in the planning, delivery, monitoring and reviewing of our policies, strategies, functions and services in terms of age, disability, gender, gender reassignment, pregnancy and maternity, race, religion, or belief and sexual orientation.
2. Develop, review, monitor and promote policies and practices that ensure equality of opportunity and eliminate discrimination and exclusion in all areas of employment (including recruitment, retention, learning and development, promotion, grievance, disciplinary and retirement).
3. Promote good relations, understanding and respect between members of staff. Address bias, prejudice and negative stereotyping by raising awareness through a range of media, such as training, induction, cascades, appraisals, 1:1 meetings, forums, events and presentations. We will not tolerate discrimination, victimisation, bullying and harassment relating to a person's age, disability, gender, gender reassignment, pregnancy and maternity, race, religion or belief, and sexual orientation.

4. Apply procurement processes that provide equal opportunities for all suppliers to compete for contracts and that their diversity requirements are consistent with ours.

We will deliver our commitment to equality and diversity by:

1. Continuing to lead from the top on equality, diversity and cultural awareness matters.
2. Developing a diverse workforce at all levels of the organisation. We know that different groups of people offer different skills, knowledge and experience that we can tap into and we understand this can add value to an organisation. It can also enhance an organisation's reputation and image.
3. Endeavouring to ensure that all employees and contractors are aware of their rights of protection from discrimination, harassment or bullying.
4. Promoting a workplace that is fair and inclusive and providing staff with an equal chance to learn and work free of discrimination and prejudice.
5. Raising awareness of diversity, bias and cultural awareness throughout the FSA through a range of media, such as training, inductions, cascades, meetings, forums, events and presentations.
6. Developing diversity and cultural awareness among our contractors so that they understand, respect and meet the expectations of the FSA.
7. Carrying out Equality Impact Assessments (EIAs) on new and existing policies and practices to ensure they will not discriminate against any particular individuals.
8. Embedding equality and diversity priorities within business operations using our EIA process and training and setting performance targets so that we can measure progress against our diversity agenda.
9. Building on our good diversity practice and continuing to learn from other examples of best practice.
10. Endeavouring to ensure that our office space, work stations, publications, documents and web and intranet publications are accessible.
11. Continuing to build upon our Community Affairs programme by working with our local Tower Hamlets, Newham and Greenwich communities on voluntary projects.
12. Delivering our commitment to equality and diversity as a procurer of goods, works and services, by complying with EU and UK legislation and best practice. Our procurement processes will be transparent, objective and non-discriminatory in the selection of our suppliers.

We recognise our regulatory role in encouraging equality and diversity, and we will lead by example.

Our action plan explains how we will deliver on our diversity commitment each year. We will regularly review, assess and evaluate our progress and address any areas of underperformance and weaknesses in policy and practice.

Background and context

The FSA is a modern regulator committed to meeting the needs of its employees, clients, stakeholders, and partners. We are transforming the way we work to deliver services which are more proactive, strategic and outcome-focused. A key part of this approach involves working in an open way, valuing partnerships and talking to all our stakeholders.

We recognise the important role that equality and diversity play in conducting our regulatory activities.

We have developed this Scheme to focus on actions, outcomes and accountability. We want to be ready to respond to future equality and diversity developments and do the right things that matter to the people who work for and with us.

We want motivated staff, drawn from the widest pool and a working environment in which people are valued and respected. We also want our staff to be individually accountable for the performance of this Scheme.

We have carried out several Equality Impact Assessments (EIAs) on our high priority policies and functions to detect any potential adverse impact on our employees, clients, stakeholders and partners. We will review our work to ensure equality, fairness and high standards are maintained. Our EIA audit of our policies and functions will highlight what more we need to do to make our procedures as robust as possible.

Public sector duties aim to ensure services are available to all sections of society, regardless of age, disability, gender, race, religion or belief, and/or sexual orientation. These public sector duties are set out in equality legislation such as: the Disability Discrimination Act 1995; the Disability Discrimination (Amendment) Act 2005;¹ the Sex Discrimination Act 1975 (as amended by the Equality Act 2006);² the Race Relations Act 1976; and the Race Relations (Amendment) Act 2000.³ We also have a public sector equality duty under the Equality Act 2010 to cover the other protected characteristics: age; gender reassignment; pregnancy and maternity; religion or belief; and sexual orientation.

This Scheme replaces our existing Disability and Gender Equality Schemes.

¹ Office of Public Sector Information (2005), Disability Discrimination Act 1995, Disability Discrimination (amendment) Act 2005, Chapter 13.

² Office of Public Sector Information (2006), Equality Act 2006, Chapter 3.

³ Office of Public Sector Information (2005), Race Relations Act 1976, Race Relations (Amendment) Act 2000, Chapter 34.

The Scheme aims to ensure that we appropriately meet all the obligations placed on us by equality legislation. We recognise the need to include them within the Single Equality Scheme, to ensure a full commitment to promoting equality, diversity and inclusion. In bringing together the eight protected characteristics, we also recognise that inequalities are rarely experienced in isolation, but are often interdependent.

3

The FSA's roles and responsibilities

3.1 Background

The FSA was created by the Financial Services and Markets Act 2000 (FSMA), the primary piece of legislation from which we derives our powers and functions. Rules and guidance made in the FSA Handbook are created by powers found in FSMA.

The Treasury has the power to make secondary legislation under FSMA, which affects the way we operate. The most important piece of secondary legislation is the Financial Services and Markets Act (Regulated Activities) Order 2001 (RAO). The RAO sets out the specific activities for which firms must receive FSA-specific permission (Part IV permission) to carry on.

We are the designated competent authority under the European single market directives for banking, insurance, investment business, payment services, collective investment schemes and other financial services, including insurance intermediation. We are also the competent authority under a host of other EU directives, including the Market Abuse and Prospectus Directives. European legislation in the field of regulated financial services is implemented domestically through FSA rules and/or Treasury regulations.

Other main areas of FSA regulation include personal pension schemes and activities relating to regulated mortgage contracts.

We have authorisation, enforcement, supervision and rule-making functions in relation to firms. We have registration functions under the legislation applicable to mutual societies and related functions under other legislation applicable to financial services and listing.

3.2 Our management team

Our management structure is designed to support our business aims.

Management structure

- The Board, chaired by Lord Adair Turner
- The Chief Executive
- Three Managing Directors and a Chief Operating Officer – each leading a Business Unit

- An Executive Committee (ExCo) comprising: the Chief Executive Officer; Managing Director, Supervision; Managing Director, Risk; Managing Director – Enforcement and Financial Crime; Chief Operating Officer; General Counsel; International Director; and HR Director.

There are three main business units within the FSA – Supervision, Risk and Operations.

1. The **Supervision Business Unit** is responsible for:
 - supervising all relationship-managed and small firms (except markets);
 - collecting, analysing and managing regulatory data;
 - assessing applications for authorisation and processing variations of permissions, changes in control, notifications and waivers;
 - providing advice and guidance on regulatory matters to both regulated firms and consumers who contact the FSA;
 - ensuring the quality of supervision; and
 - the contact centre.
2. The **Risk Business Unit** is responsible for sectoral and market-wide risk identification and mitigation, our overall risk-management process and providing supervision with specialist support. It also deals with policy formulation, covering prudential policy, conduct policy and markets policy. It supervises all regulated markets and the related infrastructure, including clearing and settlement and the UK Listing Authority.

Its responsibilities include:

- contributing to a risk-based, outcomes-focused, proportionate supervisory regime through effective risk identification and mitigation;
- focusing on fair outcomes for consumers and seeking to ensure firms adhere to our conduct principles;
- promoting a well-regulated market, which is efficient, orderly and fair, internationally attractive and sustainable;
- leading global regulatory reform and continue to improve the effectiveness of the wider EU regulatory regime; and
- creating a business unit of which we are proud of and which facilitates the recruitment and retention of excellent people.

3. The **Operations Business Unit** plays a major role in improving our operational effectiveness and making us easier to do business with.

It provides:

- information systems to support the strategies and operations across the FSA, with an increasing emphasis on knowledge management systems; and
- services to the FSA itself, including facilities management, payroll processing, accounts payable, procurement and HR services.

There are also a number of functions that report directly to the Chief Executive, including the:

- Communications Division;
- Enforcement and Financial Crime Division;
- General Counsel Division;
- Financial Stability Division;
- Internal Audit Division;
- International Division;
- Chief Executive's Office; and
- Specialist Supervision Unit.

3.3 Relevant acts

The Financial Services and Markets Act 2000 (FSMA) gives us five statutory objectives:

1. Maintaining market confidence in the financial system.
2. Promoting public understanding of the financial system, including awareness of the benefits and risks of different kinds of investment or other financial dealing and the provision of appropriate information and advice.
3. Contributing to the protection and enhancement of the stability of the UK financial system, while having regard to: the economic and fiscal consequences of instability of the UK financial system; the effects on the growth of the UK economy of anything done for the purpose of meeting that objective; and the impact on the stability of the UK financial system of events or circumstances outside the UK.
4. Securing the appropriate degree of protection for consumers, while having regard to: the degree of risk involved in different kinds of investment or transaction; the differing degrees of expertise and experience of consumers; the needs of consumers for advice and accurate information; and the general principle that consumers should take responsibility for their decisions.
5. Reducing the extent to which it is possible for a regulated business to be used for a purpose connected with financial crime, such as money laundering, fraud and insider dealing.

FSMA applies these objectives directly to the FSA's general functions of making rules, general guidance and policy, and its function of preparing and issuing codes. In carrying out these functions, FSMA requires the FSA to have regard to a number of matters, which we refer to as 'principles of good regulation'. These are:

- the need to use our resources in the most efficient and economic way;
- recognising the responsibilities of regulated firms' own management;
- the principle that the burdens and restrictions imposed by regulation should be proportionate to the benefits;

- the international character of financial services and the desirability of maintaining the UK's competitive position;
- the desirability of facilitating innovation;
- the desirability of facilitating competition; and
- the need to minimise the adverse effects of regulation on competition.

Financial Services Act 2010

The Financial Services Act 2010 (the Act) was passed by Parliament on 8 April 2010. The Act made a number of changes to our objectives, powers and duties.

The main changes are:

New Consumer Financial Education Body (CFEB)

CFEB is an independent body to take forward consumer education work, such as the Moneymadeclear™ website, guides and comparative tables. Our public awareness objective is expected to be removed at a later date. The Act provides for more funding to be made available for consumer education work.

Financial stability

The Act gives us a new objective to contribute to protecting and enhancing UK financial stability. We are required to cooperate appropriately with the Treasury, the Bank of England and other relevant bodies in pursuing this objective. The Act requires us to have and review a financial stability strategy. It enables us to gather information from entities including unregulated entities for financial stability purposes. It also requires us to consider the impact that international events and circumstances could have on financial stability in the UK.

Regulatory powers

The Act extends the scope of our key regulatory powers to make rules and to alter authorised firms' regulatory permissions, so that the powers may be used in pursuit of any of our regulatory objectives, including the new financial stability objective.

Remuneration

The Act requires us to make rules to ensure that firms have and follow a remuneration policy. These remuneration policies must be consistent with effective risk management. The rules may prohibit firms from remunerating staff in specific ways.

Recovery and resolution plans

The Act requires us to make rules requiring certain firms to prepare recovery and resolution plans (sometimes referred to as 'living wills').

Short selling

The Act enhances our powers in the field of short selling in financial markets. It gives us the power to make rules to ban short selling in financial instruments and to require any person to disclose information about their short selling.

Enforcement and transparency

The Act enhances our enforcement powers. It gives us the power to suspend firms and individuals for disciplinary reasons, so supporting our credible deterrence strategy. It also enables us to take action against persons performing controlled functions without the required FSA approval, and alters the operation of some of our existing disciplinary powers. The Act also provides for transparency around our enforcement cases at an earlier stage than is currently possible.

Consumer redress

The Act contains provisions which, when commenced, will enable us to write rules which put in place consumer redress schemes. This will allow us to ensure that consumers receive redress in cases involving large scale consumer mis-selling or other failures.

Financial Services Compensation Scheme (FSCS)

The Act contains provisions which, when commenced, would enable the Financial Services Compensation Scheme (FSCS) to act as a single point of contact and to pay redress to consumers where redress is due to them under other schemes, such as schemes established outside the UK.

Different parts of the Act will take effect at different times. The parts of the Act that come into effect immediately include the financial stability objective and the duty to create CFEB.

Parts that come into force two months after the Act is passed include: the duty to make rules that will require firms to have a remuneration policy; the duty to make rules in relation to recovery and resolution plans ('living wills'); the financial stability information-gathering powers; the power to make rules on short selling; and the enforcement powers.

The removal of our public awareness objective, the power to make consumer redress scheme rules and the requirement regarding publishing decision notices are provisions of the Act that take effect only after a commencement order is made by the Treasury.

We have regulatory powers under the:

- Building Societies Act 1986;
- Friendly Societies Acts (1974 and 1992);
- Industrial and Provident Societies Act 1965; and
- Banking Act 2009.

We also have functions under non-FSMA legislation. Please refer to the legislation section at the back of this Scheme for more detail.

3.4 FSA as a regulator

- We are an independent non-governmental body, given statutory powers by the Financial Services & Markets Act 2000 (FSMA), and we are responsible for regulating the financial services industry in the UK. The FSA Board sets our overall policy and priorities, while the Executive Committee is responsible for day-to-day decisions and management.
- We have been given a wide range of rule-making, investigatory and enforcement powers to meet our statutory objectives, summarised as one overall aim: to promote efficient, orderly and fair markets and to help retail consumers achieve a fair deal.
- We regulate over 29,000 firms that operate in the UK, with a diverse range of sizes and activities, and most financial services markets and exchanges. We set the standards that firms must meet and we can take action against firms if they fail to meet these standards. As a risk-based regulator, our approach is based on a clear statement of the realistic aims and limits of regulation. We recognise the proper responsibilities of consumers' and firms' own management, as well as the impossibility and undesirability of removing all risk and failure from the financial system.

Our corporate responsibility

We think of corporate responsibility under four key headings:

- **Work:** how we achieve our three strategic aims of: helping retail consumers achieve a fair deal; promoting efficient, orderly and fair markets; and improving our business capability and effectiveness.
- **People:** how we treat our employees.
- **Environment:** our impact on the environment.
- **Community:** our impact on the local and wider community.

Check the Annex section of this Scheme for information on Community Affairs projects. For further information please check our Corporate Responsibility Plan on our website at www.fsa.gov.uk.

3.5 FSA in the future

The Government has announced major reforms to the framework for financial regulation in the UK. It is expected that the reforms will in due course have a bearing on the Scheme, which will require it to be redrafted in light of the revised structure. We have decided that during the transitional period the Scheme will continue as a 'live' document.

Details of the reforms and the Government's consultation are available on the HM Treasury website. at: www.hm-treasury.gov.uk/consult_financial_regulation.htm

We also recognise the need to accommodate changes that might arise to equality legislation, including changes to any specific duties imposed on us. We will therefore keep the Scheme and our action plans under review in light of our obligations under equality legislation.

Public sector duties

4.1 What is 'due regard'?

Public sector duties require public bodies to have due regard to the need to eliminate discrimination and to promote equality of opportunity in carrying out their various functions. There are additional duties in relation to disability equality.

The term 'due regard' means that public bodies need to consider both relevance and proportionality in terms of what they need to do to comply with their equality duties. The three equality duties will, under the Equality Act 2010, be superseded by the new public sector duty that applies to the broader range of protected characteristics. Set out below is the current legal position, but the approach taken in the Scheme is to anticipate the obligations we will have from April 2011 (see Chapter 5).

Race, gender and disability duties

There are currently three equality duties set out in law, covering race, disability and gender. The Public Sector Duties to promote equality – including the duty to publish equality schemes related to disability and gender – are contained in the Race Relations Act 1976, the Race Relations (amendment) Act 2000, the Disability Discrimination Act 1995, the Disability Discrimination Act 2005, the Sex Discrimination Act 1975 and the Equality Act 2006. Public bodies listed in Schedule 1 of the Act are also required to meet specific duties. The specific duties were introduced to help public bodies meet their general duties.

1. The **race equality duty** requires specific public bodies i.e. 'any person who has functions of a public nature' to take steps to promote race equality. This is incorporated into the general duty and specific duties. The general duty applies to all public bodies listed in Schedule 1A of the Act. It requires them to have due regard to the need to:
 - eliminate unlawful racial discrimination;
 - promote equal opportunity between persons of different racial groups; and
 - promote good relations between persons of different racial groups.

The specific duties require that each public body should:

- prepare a written scheme for promoting race equality;
- have arrangements in place for fulfilling the general duty;
- assess the impact of their policies on service users and staff of different racial groups;
- publish the results of their assessment and monitoring; and
- publish the results of their work annually to promote race equality.

2 The **gender equality duty** places similar requirements on all public bodies. The gender equality duty was introduced into legislation in the Equality Act 2006, amending the Sex Discrimination Act. It means that public bodies must have due regard to the need to:

- eliminate unlawful sex discrimination and harassment (including for transsexual people); and
- promote equality of opportunity between men and women.

The specific duties require all listed public bodies to produce a gender equality scheme showing how it intends to fulfil the general and specific duties. It should also set out the gender equality objectives that the body has identified for meeting the duty.

In preparing a scheme, public bodies should:

- consult employees, service users and others (including trade unions);
- take into account any information it has gathered on how its policies and practices affect gender equality in employment and the delivery of services; and
- in formulating its gender equality objectives, consider the need to have objectives to address the causes of any gender pay gap.

The scheme should:

- set out how the public body will gather information on the gender equality in employment, services and performance of its functions;
- use this information to review the implementation of the scheme's objectives;
- assess the impact of its current and future policies and practices on gender equality;
- consult relevant employees, service users and others (including trade unions); and
- ensure implementation of the scheme objectives.

The scheme should be implemented within three years. Public bodies should report on progress annually and review and revise the scheme at least every three years.

3 The **disability equality duty** states that public bodies covered by the disability equality duty must take steps to promote disability equality. All public bodies must comply with the general duty to promote disability equality.

The disability equality duty was introduced into legislation in the Disability Discrimination Act (amended 2005). It means that public bodies must have due regard to the need to:

- promote equality of opportunity between disabled persons and other persons;
- eliminate discrimination that is unlawful under the Act;
- eliminate harassment of disabled persons that is related to their disabilities;
- promote positive attitudes towards disabled persons;
- encourage participation by disabled persons in public life; and
- take steps to take account of disabled persons' disabilities, even where that involves treating disabled persons more favourably than other persons (e.g. the provision of an accessible parking bay near a building, where parking is not available for other visitors or employees).

The specific duties require all listed public bodies to publish a disability equality scheme, demonstrating how they intend to fulfil their general and specific duties. Public bodies should involve disabled people in the development of the scheme, implement the action plan set out in the scheme, and review and revise the scheme every three years.

The scheme should include:

- information about how disabled people have been involved in its development;
- the public bodies methods for undertaking impact assessments;
- an action plan setting out the steps it will take to meet the general duty;
- arrangements for gathering information on the effect of the public bodies policies and practices on disabled people; and
- arrangements for using this information, including reviewing the effectiveness of the action plan and preparing subsequent disability equality schemes.

Public bodies should report annually on: the steps taken in the action plan; the results of their information gathering; and how this information has been used.

4.2 Statutory codes of practice

Public bodies are also governed by statutory codes of practice. These codes of practice provide practical guidance on how to meet the legal requirements of their specific duties. They apply to all the functions of the organisation, with regards to service provision, employment matters, policy making, statutory discretion and decision-making processes. Codes of practice currently exist for disability, gender and race equality duties, but will now be extended to cover other protected characteristics as listed in the Equality Act 2010.

Further information on the equalities legislation and duties can be found on the Equalities and Human Rights Commission (EHRC) website at www.equalityhumanrights.com.

5

The Equality Act 2010 and the Public Sector Equality Duty 2011

5.1 Background to the Act

UK equality legislation has been developed over more than 40 years – often improved or expressly enacted to comply with EU anti-discrimination laws. There were nine separate acts and dozens of regulations for Great Britain.

In 2008 the UK Government began looking at simplifying equality law to make it easier to implement and enforce. The consultation, *Framework for Fairness*, looked at how equality laws can be clarified to create one Single Equality Act rather than a multitude of equality laws with different requirements and standards. Following the consultation, the UK Government's White Paper *Framework for a Fairer Future*,⁴ outlined how they intend to achieve this. One proposal was to create a new Equality Duty⁵ on the public sector by bringing together the existing Public Sector Duties on race, disability and gender, and extending this to cover the other 'protected characteristics' of age, disability, gender, gender reassignment (transgender), pregnancy and maternity, race, religion or belief, and sexual orientation to make a Single Equality Duty on the public sector.

5.2 The Equality Act 2010

The Equality Act 2010⁶ brings together and harmonises equality law. As a public sector organisation our responsibilities remain largely the same, but there are some differences that we need to be aware of.

(Please refer to Section 5.3 below for more detail.)

The Equality Act also contains other provisions, including the new concept of dual discrimination, an extended public sector Equality Duty and a prohibition on age discrimination in services and public functions.

⁴ Communities and Local Government (2009), A Framework for Fairness: Government Equalities Office (2009), Equality Bill, Framework for a Fairer Future.

⁵ UK Parliament, House of Commons (2009), Equality Duty.

⁶ Equality Act 2010, protected characteristics include age, disability, gender, gender reassignment, race, religion/belief, pregnancy and maternity and/or sexual orientation, www.parliament.gov.uk;

The earliest that these changes will come into full force is October 2010 and the Public sector equality duty will come into force in April 2011. Until then it is important that public bodies continue to meet their existing obligations and use the duties⁷ to improve the impact of their work.

To prepare for the new equality duty, public bodies should also start collecting information on the groups covered by the Equality Act 2010.

Having a Single Equality Scheme will make it easier to focus on and demonstrate the delivery of equality duties.

5.3 So what has changed under the Equality Act 2010?

The Equality Act protects people from discrimination on the basis of ‘protected characteristics’ (these used to be called ‘grounds’ or ‘strands’). The relevant characteristics for services and public functions are:

- Age
- Disability
- Gender
- Gender reassignment
- Pregnancy and maternity
- Race – including ethnic or national origin, colour and nationality
- Religion or belief
- Sexual orientation

Age (no change)

People of all ages are protected – however, different treatment because of age is not unlawful direct or indirect discrimination if you can justify it, i.e. if you can demonstrate that it is a proportionate means of meeting a legitimate aim. Age is the only protected characteristic that allows employers to justify direct discrimination.

The Equality Act 2010 continues to allow employers to have a default retirement age of 65.

Breastfeeding mothers

It is unlawful to discriminate against a woman because she is breastfeeding. This means that you need to allow women to whom you are providing goods, facilities or services to breastfeed if they so wish.

⁷ Equality and Human Rights Commission (2006), Gender equality duty Code of Practice (England and Wales); Equality and Human Rights Commission (2002), Race inequality duty Code of Practice (England and Wales); Equality and Human Rights Commission (2006), Disability equality duty Code of Practice (England and Wales).

Disability (new definition and changes)

It is easier now for a person to show that they are disabled and protected from disability discrimination. A person is disabled if they have a physical or mental impairment that has a substantial and long-term adverse effect on their ability to carry out normal day-to-day activities, which would include things like using a telephone, reading a book or using public transport. As before, the Equality Act puts a duty on employers to make reasonable adjustments for staff to help them overcome a disadvantage resulting from an impairment (e.g. by providing assistive technologies to help visually impaired staff use computers effectively).

The Equality Act includes a new protection from discrimination arising from disability. This states that it is discriminatory to treat a disabled person unfavourably because of something connected with their disability (e.g. a tendency to make spelling mistakes arising from dyslexia). This type of discrimination is unlawful where the employer or other person acting for the employer knows, or could reasonably be expected to know, that the person has a disability. This type of discrimination is only justifiable if an employer can show that it is a proportionate means of achieving a legitimate aim. Additionally, indirect discrimination now covers disabled people.

The Equality Act also includes a new provision that makes it unlawful, except in certain circumstances, for employers to ask about a candidate's health before offering them work.

Gender (no change)

Both men and women are protected under the Equality Act.

Gender reassignment (new definition and changes)

The Equality Act provides protection for transsexual people. A transsexual person is someone who proposes to, starts or has completed a process to change his or her gender. The Equality Act no longer requires a person to be under medical supervision to be protected – so a woman who decides to live permanently as a man but does not undergo any medical procedures would be covered. Transgender people, such as cross dressers, who are not transsexual because they do not intend to live permanently in the gender opposite to their birth sex, are not protected by the Equality Act.

It is discriminatory to treat transsexual people less favourably for being absent from work because they propose to undergo, are undergoing or have undergone gender reassignment than they would be treated if they were absent because they were ill or injured. Medical procedures for gender reassignment, such as hormone treatment, should not be treated as a 'lifestyle' choice.

Marriage and civil partnership (no change)

The Equality Act protects employees who are married or in a civil partnership against discrimination. Single people are not protected.

Pregnancy and maternity (no change)

A woman is protected against discrimination on the grounds of pregnancy and maternity during the period of her pregnancy and any statutory maternity leave to which she is entitled. During this period, pregnancy and maternity discrimination cannot be treated as sex discrimination. Public sector bodies must not take into account an employee's period of absence due to pregnancy-related illness when making a decision about her employment.

Race (no change)

For the purposes of the Equality Act 'race' includes colour, nationality and ethnic or national origins. A racial group can be made up of two or more different racial groups (e.g. Black British).

Religion or belief (no change)

In the Equality Act, religion includes any religion. It also includes a lack of religion, in other words employees or jobseekers are protected if they do not follow a certain religion or have no religion at all. Additionally, a religion must have a clear structure and belief system. Belief means any religious or philosophical belief or a lack of such belief. To be protected, a belief must satisfy various criteria, including that it is a weighty and substantial aspect of human life and behaviour. Denominations or sects within a religion can be considered a protected religion or religious belief. Humanism is a protected philosophical belief but political beliefs are not protected. Discrimination because of religion or belief can occur even where both the discriminator and recipient are of the same religion or belief.

Sexual orientation (no change)

The Equality Act protects bisexual, gay, heterosexual and lesbian people.

5.4 Changes to the types of discrimination

Direct discrimination

Direct discrimination in services and public functions happens when someone is treated less favourably than another person because of a protected characteristic.

Direct discrimination can also occur when a person is treated less favourably because of a protected characteristic, even though that person does not have the characteristic. For example, it includes a person being treated less favourably because they are linked or associated with someone who has a protected characteristic.

Direct discrimination also includes discrimination because a person is wrongly thought to have a particular protected characteristic or is treated as if they do.

Direct discrimination: What has changed?

Direct discrimination has now been extended to cover disability. Previously, protection extending wider than the person's own protected characteristic – such as protection from discrimination because of association and perception – applied only to race, religion or belief, and sexual orientation. Now it applies to sex, disability and gender reassignment as well.

Indirect discrimination (extended to disability and gender reassignment)

Indirect discrimination happens when there is a rule, a policy or even a practice that applies to everyone but that particularly disadvantages people who share a particular protected characteristic.

Indirect discrimination can be justified if it can be shown that the rule, policy or practice is intended to meet a legitimate objective in a fair, balanced and reasonable way. If this can be shown it will be lawful. When considering introducing a new rule or policy, consideration should be given to whether there is any other way to meet objectives that would not have a discriminatory effect or that is less likely to disadvantage people who have a protected characteristic. A lack of financial resources alone is unlikely to be a sufficient justification.

Indirect discrimination: What has changed?

Indirect discrimination now applies to disability and gender reassignment as well as the other protected characteristics. Pregnancy and maternity is not covered but policies and practices that would put pregnant women and new mothers at a disadvantage could constitute unlawful indirect sex discrimination.

Harassment

There is no specific prohibition on harassment related to religion, belief or sexual orientation. However, if someone is harassed because of their religion, belief or sexual orientation, and consequently treated less favourably than someone else, a court would count this as direct discrimination, which is unlawful.

Victimisation

Victimisation occurs when someone is treated badly because they have done something in relation to the Equality Act, such as making or supporting a complaint or raising a grievance about discrimination, or because it is suspected that they have done or may do these things. A person is not protected from victimisation if they have maliciously made or supported an untrue complaint.

Victimisation: What has changed?

There is now no need for a victim to show that they have been less favourably treated than someone who has not made or supported a complaint under the Equality Act. They need only show that they have been treated badly.

5.5 Other relevant changes

Positive action

Some people with protected characteristics are disadvantaged or under-represented in some areas of life, or have particular needs linked to their characteristic. They may need extra help or encouragement if they are to have the same chances as everyone else. The new positive action provisions enable public sector organisations to take proportionate steps to help people overcome their disadvantages or meet their needs.

- There is no requirement to take positive action.
- There is no restriction on treating disabled people more favourably than non-disabled people. It is also permitted to take steps to meet the needs of people with a particular disability.

Pre-employment health-related checks

The Equality Act limits the circumstances when a potential employer can ask health-related questions before they have offered the individual a job. Up to this point, the potential employer can only ask health-related questions to help them to:

- decide whether they need to make any reasonable adjustments for the person to the selection process;
- decide whether an applicant can carry out a function that is essential ('intrinsic') to the job;
- monitor diversity among people making applications for jobs;
- take positive action to assist disabled people; and
- assure themselves that a candidate has the disability where the job genuinely requires the jobholder to have a disability.

A jobseeker cannot take a potential employer to an Employment Tribunal if they think that the potential employer is acting unlawfully by asking questions that are prohibited, though the jobseeker can complain to the Equality and Human Rights Commission.

A potential employer is permitted to ask appropriate health-related questions once a person has passed the interview and has offered the applicant a job (whether this is an unconditional or conditional job offer).

Extension of employment tribunal powers

Under previous legislation, an employment tribunal could make a recommendation that an employer must eliminate or reduce the effect on the claimant of any discrimination. The Equality Act extends this power so that it will now be possible for a tribunal to make recommendations that an organisation takes steps to eliminate or reduce the effect of discrimination on other employees, not only on the claimant. For example, the tribunal might specify that an employer needs to train all staff about the organisation's bullying and harassment policy. This power does not apply to equal pay cases.

Equal pay – direct discrimination

The Equality Act retains the framework that was previously in place. This means that in most circumstances, a challenge to pay inequality and other contractual terms and conditions still has to be made by comparison with a real person of the opposite sex in the same employment.

However, a change in the Equality Act allows a claim of direct pay discrimination to be made, even if no real person comparator can be found.

This means that a claimant who can show evidence that they would have received better remuneration from their employer if they were of a different sex may have a claim, even if there is no-one of the opposite sex doing equal work in the organisation. This would be a claim under sex discrimination.

Pay secrecy

The Equality Act makes it unlawful for employers to prevent or restrict their employees from having a discussion to establish if differences in pay exist that are related to protected characteristics. It also makes terms of the contract of employment that require pay secrecy unenforceable because of these discussions. An employer can require their employees to keep pay rates confidential from some people outside the workplace – for example, a competitor organisation.

5.6 Timetable

The provisions in the Equality Act will come into force at different times⁸ to allow time for people and organisations that are affected by the new laws to carefully prepare for them. It is planned that the Equality Act will come into force as follows:

October 2010: Main provisions include employment, equal pay, services, public functions and associations, and education (further and higher education and schools).

April 2011: The integrated public sector equality duty, the socio-economic duty and dual discrimination protection.

2012: The ban on age discrimination in provision of goods, facilities, services and public functions.

2013: Private and voluntary sector gender pay transparency regulations (if required) and political parties publishing diversity data.

5.7 Government consultation on the public sector equality duty

The overarching ‘general’ duty will be underpinned by a series of specific duties. The Government issued draft specific duties for England for consultation in June 2009, and a wide range of stakeholders responded. In January 2010, the Government published a policy paper in response to the feedback it received from the consultation.

⁸ Equality and Human Rights Commission, Equality Law timetable, www.equalityhumanrights.com.

At the time of finalising our Single Equality Scheme, the Government announced that they will be consulting on their proposals for draft regulations that will cover the specific duties. They will also disclose the list of public bodies that will be subject to the general and specific duties in England and to certain bodies operating across Great Britain in relation to non-devolved functions. The consultation will run until 10 November 2010.

The duty will cover all the protected grounds: age, disability, gender, gender reassignment, pregnancy and maternity, race, religion and belief and sexual orientation.⁹

The duty will not come into force until 2011, so it is important that public bodies continue to meet their legal obligations under the race, disability and gender duties until this time.

(Please visit the GEO website for further information about the draft regulations as well as to respond to the consultation: *Equality Act 2010: The public sector Equality Duty: Promoting equality through transparency*).

⁹ www.equalityhumanrights.com/advice-and-guidance/public-sector-duties.

How we will fulfil our equality duties

We are required to demonstrate the arrangements that will show how we will fulfil our equality duties to:

- identify functions and policies that are relevant to the public sector duty(s);
- set out arrangements to assess and consult on the likely impact of proposed policies on the promotion of equality;
- publish the results of Equality Impact Assessments (EIAs), consultations and monitoring information;
- train staff in equality and diversity;
- gather information on our workforce data and set out how this information will be used;
- publish information on our workforce data;
- involve, consult and inform all FSA staff;
- involve, consult and inform diversity groups as and when required;
- involve, consult and inform external equality and diversity specialist organisations;
- work with external equality and diversity specialist organisations, leaders and other stakeholders to learn from best practice and to improve our work on diversity;
- develop a Single Equality Scheme action plan; and
- publish the Single Equality Scheme and action plan online.

We will also:

- review and monitor our objectives and actions in the action plan quarterly;
- review and monitor our Single Equality Scheme annually;
- internally audit our diversity work and Single Equality Scheme; and
- cover all protected characteristics where applicable as listed in relevant equality legislation.

Our themes and priorities

We are an independent, non-governmental body, given our statutory powers principally by the Financial Services and Markets Act 2000 (FSMA). We are a company limited by guarantee and financed by the financial services industry, but we also have statutory duties to promote equal opportunities and to eliminate discrimination and harassment. We are held to account for our public equality duties by the Equality and Human Rights Commission.

In 2008, the Government set out a new vision of equality in *Framework for a Fairer Future – The Equality Bill*. This included a new single public equality duty that for the first time covered age, sexual orientation and religion or belief. In preparation for this new duty, the Government developed a new diversity strategy, 'Promoting Equality, Valuing Diversity'¹⁰ for the Civil Service. The strategy focused on four key themes:

- changing behaviour to create an inclusive culture;
- strong leadership;
- talent management; and
- a diverse workforce.

We have taken these themes and have included one of our own (our role as a regulator) and applied them to the work that we do.

Our five key themes

1. Inclusive culture
2. Strong leadership
3. Managing and valuing diverse talents
4. Diverse and inclusive workforce
5. An effective regulator

¹⁰ Promoting Equality, Valuing Diversity 2008 for the civil service, www.cabinetoffice.gov.uk and www.civilservice.gov.uk.

1. Inclusive culture

We want to be an employer of choice. We want to be an organisation that is fair and understands the many different cultures and values of our staff, clients, partners and stakeholders. It means we should be confident that, throughout our work, the decisions and actions we take are free from bias or discrimination and everyone we come into contact with is treated fairly and with respect. We will endeavour to create an inclusive culture that challenges harassment and discrimination. Through our leadership initiatives, we will set clear expectations of how we should perform and behave, highlighting examples of good conduct and role models.

2. Strong leadership

We are all responsible for delivering our diversity and equality commitments and that every member of staff knows what their responsibilities are. It means that there are clear and transparent lines of accountability and that our commitments are embedded throughout the organisation. It includes promoting and using the Equality Impact Assessment (EIA) process to mainstream equality and diversity and ensuring that equality and diversity are key principles in all partnerships with other organisations. Through our Executive Diversity Committee and HR and Regulatory Diversity Boards, we will ensure that equality and diversity maintains a high profile.

3. Managing and valuing diverse talents

We will build an inclusive workforce where all staff are valued for their individual talents. It means using our workforce diversity data, our staff survey responses, and listening to people so that we can understand and act where we identify any barriers to achievement and promotion for particular groups or individuals. We want to provide an environment in which all employees have the opportunity to achieve their potential. It means that we will address the developmental needs of all staff and, in particular, those from under-represented groups.

4. Diverse and inclusive workforce

We will recruit people from the widest range of backgrounds. When we undertake recruitment exercises, we will consider our staff profile using monitoring data and look at different methods of advertising and other recruitment methods to reach out to under-represented groups. We will continue to monitor our staff profile across all diversity strands, take action where necessary and report on our progress.

5. An effective regulator

We will build equality issues into our regulatory activities – for example, by taking them into account in our risk assessment framework and in policy making. It means providing high quality, mandatory training to regulatory staff on equality and diversity issues and providing the training needed to conduct effective EIAs. This will ensure staff are well placed to understand our equality duties that arise in a regulatory context.

Our eight corporate diversity objectives for our Single Equality Scheme

1. Equality and diversity are integral to all our strategies, services, policies and plans ensuring that our behaviours match our vision.
2. Diversity is owned throughout the business and all staff are aware of our equality and diversity duties and how they must behave as representatives of the FSA.
3. Our offices, publications, documents and web publishing are accessible to all who need to access them.
4. Our activities are informed by discussion with, and the involvement of, relevant stakeholders – to both meet our statutory obligations and to encourage and promote equality and diversity.
5. Our staff are drawn from the widest pool, better reflecting the diversity of the UK.
6. All our staff have equal opportunity in all areas of their employment and are treated fairly and with respect.
7. Our regulatory activities, such as policy making, supervision and enforcement, take into account equality and diversity issues in a systematic way.
8. Our procurement practices will comply with EU and UK legislation and our suppliers will be expected to have due regard to equality matters when undertaking services or activities on our behalf.

Our scheme focuses on achieving these eight tangible priorities, which are directly relevant to us and take into account our responsibilities to our stakeholders.

Developing our Single Equality Scheme

8.1 Background to the Scheme

We have legal responsibilities to challenge discrimination, harassment or victimisation and to promote equality on the grounds of race, gender and disability – we commonly refer to these as the ‘three general duties’ to promote equality.

We also have a public sector equality duty under the Equality Act 2010 to cover the following protected characteristics: age, gender, disability, race, religion or belief, sexual orientation, gender reassignment and pregnancy and maternity. The public sector equality duty will come into force by 2011.

We have to consider how we meet these responsibilities across all of our functions. We first introduced a Disability Equality Scheme in 2006 and a Gender Equality Scheme in 2007. Creating and publishing these Schemes demonstrates how we meet our obligations under the existing equality duties.

We are now replacing those documents with this Single Equality Scheme and extending our duties across all protected characteristics. Through this Scheme, we will aim to build an inclusive organisation that promotes equality and diversity in our services and our work environment and treats everyone with respect.

Our Single Equality Scheme builds on work already in progress across the FSA, which aims to tackle discrimination. We chose to develop a Single Equality Scheme that recognises that some individuals may identify with more than one protected characteristic. We acknowledge that individuals may experience discrimination on more than one basis.

The development of our Scheme was coordinated by our diversity and equality consultant.

8.2 In developing this scheme

When creating the draft Single Equality Scheme, we informed, consulted and involved our Executive Diversity Committee, HR Diversity Project Board, Regulatory Diversity Project Board, Staff Consultative Committee, Diversity Working Group, General Counsel Division, Communications Division and Procurement.

Members of the Executive Diversity Committee and HR Diversity Project Board were responsible for establishing guidelines for the development of the Scheme, agreeing its framework, structure and the necessary actions to gather evidence on equality issues.

8.3 Gathering information and performance on equality

As part of the development of the Scheme, our Diversity and Equality Consultant gathered information relating to the views of staff in relation to staff satisfaction and outcomes. We used the information from all the sources to formulate a draft of the Single Equality Scheme and Action Plan. This included the review of data regarding:

- surveys;
- consultations;
- complements and complaints;
- views of staff on our grievance procedures;
- views of staff on our disciplinary procedures; and
- benchmark exercises.

This data has been used to establish actions within the employment section of the Single Equality Scheme action plan.

Key components of the Single Equality Scheme

9.1 Our Equality Impact Assessments (EIAs) process

Relevance test and EIAs

We will be providing training to relevant staff to increase awareness within the FSA as to why equality impact assessments are so important in helping us to deliver our outcomes and meet our equality duties. The information they provide helps us to learn continually, integrating equality and diversity principles into all of our work.

We are required by the equalities legislation to conduct EIAs to identify any adverse impact our policies and services may have on the following protected characteristics: age, gender, disability, race, religion or belief, sexual orientation, gender reassignment and pregnancy and maternity. Impact assessments provide us with reassurance that our employees are treated fairly and that all forms of discrimination are avoided.

We will assess all significant proposed policies, functions and services to identify equality issues and to improve our performance where necessary.

When carrying out equality impact assessments we will follow the process outlined below.

Carry out a relevance test on the policy, function or service to establish whether there is likely to be any impact.

- Identify whether internal and/or external consultation is necessary.
- Gather data and evidence to ensure that sufficient information is available to inform decision making.
- Assess and analyse the policy, function or service for positive or negative impact and any unlawful direct or indirect discrimination.
- Amend or identify alternative policies where necessary.
- Establish what actions might be necessary to reduce or remove any adverse or negative impact.
- Decide whether a full impact assessment is necessary and, if so, undertake this.
- Publish the results.

Each Business Unit will draw up a priority list of policies, functions and services for screening for an annual equality impact assessment, and will complete an equality impact assessment using our EIA template. We will publish the results of our equality impact assessments on our website.

9.2 How we monitor

Monitoring and evaluation are essential in assessing our performance both internally and externally.

We currently collect information on age, disability, ethnicity and gender. However, we are working on capturing data on sexual orientation and religion or belief. We will extend this to capture data on gender identity. We use this information to check that we are providing fair employment for all. Where any inequality is identified we will take action to address it.

We also intend to benchmark our performance using relevant and valid external data sources. During the lifetime of this Scheme, we will benchmark against the Stonewall Workplace Equality Index and will benchmark against the Race for Opportunity index, Opportunity Now index, Employers Forum on Religion index, Employers Forum on Age index and Employers Forum on Disability index. We will compare our employment profile with national public sector organisations, benchmark qualitatively through participation in external surveys and encourage internal benchmarking by publishing information of different groups within the organisation by promoting and sharing good practice.

We will review our policies, functions and services to ensure that equality and fairness considerations are included.

9.3 Consultation and stakeholder involvement

We will develop relationships with specialist diversity organisations representing diverse groups so we can continue to learn from best practice. We will ensure that we engage with a broad range of organisations. We will inform, consult and involve our stakeholders where what we do might have an impact on them. We are committed to working in partnership with the sector wherever possible and want to gain a greater understanding of the diversity needs of our staff and consumers.

(Please refer to Chapter 10 of this Scheme for more detail.)

9.4 Communications – Reporting and reviewing our progress

We will incorporate diversity reporting into our normal business reporting structure. Progress reports on our equality scheme action plan will be provided quarterly to the Executive Diversity Committee (EDC) and every six months to the Executive Committee (ExCo). We will also provide regular updates to the Staff Consultative Committee (SCC) and Diversity Working Group (DWG). Where action is needed in response to these findings, Directors and Heads of Department will take responsibility for their areas.

We will produce and publish an annual report on progress against the Scheme, both internally and externally, making this available on our website and our intranet. Meanwhile, a communications plan is in place to support awareness-raising among our staff.

9.5 Procurement

The equality duties in relation to functions carried out directly by public authorities also apply when those functions are carried out on their behalf through procurement. This means that all our suppliers must have due regard to equality duties when carrying out the function on our behalf. Where a supplier is carrying out a public function on behalf of the FSA, we are responsible for the legal liability for the duties in relation to that function. The degree to which equality and diversity requirements are specified and incorporated within our contracts will vary according to the goods, services or works being purchased and is assessed on a case-by-case basis.

Consultation on our Single Equality Scheme – How we inform, consult and involve

10.1 Why consult?

We are required to consult internally and externally on the Scheme prior to implementation and publication.

We have gathered consultation feedback on the Scheme to make any necessary changes. Please see section 10.4 below.

We have an obligation to inform, consult and involve stakeholders when developing the scheme.

By consulting on the Scheme we have:

- captured a wide range of views and comments to ensure that the scheme is comprehensive; and
- gained credibility with staff and external stakeholders.

The consultation will also help us:

- develop effective solutions;
- identify the full range of affected parties;
- minimise the risk of unexpected consequences; and
- discover better implementation methods.

This is because consultation:

- promotes transparency and accountability;
- improves awareness and understanding, and highlights any assumptions made; and
- encourages public/staff ownership of the Scheme, therefore increasing public/staff commitment to it.

10.2 How we consulted

We used information from a range of sources to formulate a draft of our Scheme and action plan, which we consulted on for 12 weeks, from Friday 14 May 2010 to Monday 6 August 2010.

We published the draft Scheme on our external website for consultation and invited the general public and key external stakeholders to comment on our Scheme and action plan via our dedicated consultation mailbox on our external website. We also sent a hardcopy version of the Scheme to specialist diversity organisations for feedback.

Internal stakeholders were invited to participate in the consultation process through a variety of methods, including:

- staff focus groups;
- staff meetings;
- face-to-face meetings;
- email; and
- submitting responses via our dedicated consultation mailbox.

The aim of the consultation process was to:

- provide consultees with background information on the FSA;
- inform consultees about our duties under the relevant equalities legislation;
- invite and receive comments about our proposal to merge our current Gender and Disability Schemes into one document, which extends to age, gender reassignment, pregnancy and maternity, race, religion or belief, and sexual orientation;
- provide consultees with information on our workforce profile;
- invite and receive comments on our themes and priorities;
- provide consultees with information on our diversity agenda;
- ask how we can improve and make changes to our diversity agenda;
- enable staff to comment on their experience in relation to the FSA as an employer and regulator; and
- ask for feedback on our Single Equality Scheme.

10.3 Who we contacted

We contacted the external stakeholders who had yet to respond every three weeks, and encouraged them to submit any feedback or comments to us.

We also consulted with the general public through our external website, where, for the 12-week period, we dedicated part of the front page to the promotion of the consultation exercise.

We contacted the following external stakeholders to ask them to review the Scheme and provide comments on it:

- Race for Opportunity
- Opportunity Now
- Stonewall

- Employer's Forum on Age
- Employer's Forum on Disability
- Employer's Forum on Religion and Belief
- Women's Insurance Network
- 3D Change (a group that represents people with disabilities)
- FSA's independent panels (Practitioner, Smaller Businesses Practitioner, and Consumer)
- East London Business Alliance (ELBA)
- MIND
- AGEUK
- CEMVO (a BAME voluntary umbrella organisation)
- RNIB
- Solicitors Regulation Authority
- Mencap
- Equality and Human Rights Commission

We contacted the following internal stakeholders to ask them to review the Scheme and provide comments on it:

- All staff and managers
- Executive Diversity Committee
- HR Diversity Project Board
- General Counsel Division
- Regulatory Diversity Project Board
- Staff Consultative Committee
- Diversity Working Group
- Faith groups

10.4 Summary of the key issues from the consultation feedback

Several recurring themes emerged about our diversity agenda. Respondents welcomed the creation of the Executive Diversity Committee and the publication of our draft Single Equality Scheme and Action Plan. They commented that further staff networks should be put in place so staff could discuss diversity issues. The introduction of a diversity statement was applauded; however respondents felt this should be more widely available throughout the organisation. This was in line with further publicising our diversity pages on our intranet. Consultation feedback included suggestions for improving our equality, diversity and inclusion training and how we embed diversity

initiatives. Respondents also felt HR policies should be applied more consistently across the organisation.

10.5 Diversity monitoring data

We asked participants to complete a diversity monitoring form so we could monitor which protected groups participated in the consultation exercise. This information will help us to ensure our processes and procedures are fair so we can consider the needs of all backgrounds to support us to eliminate discrimination, promote equal opportunities and good relations within the industry we regulate. This information is anonymous and will be treated under the Data Protection Act 1998.

10.6 Implementing the Scheme

The Single Equality Scheme was coordinated and written by our diversity and equality consultant. Its implementation is the responsibility of the Executive Diversity Committee, Directors, Heads of Department and the HR and Regulatory Diversity Project Boards. This is a 'live' document, so it will be reviewed regularly and amended as necessary.

All Senior Leadership Team members, managers and staff are responsible for creating an environment that helps us make measurable progress around equality and diversity agenda.

Our workforce diversity profile

11.1 Background

We are committed to employing a workforce that reflects the diversity of the UK. We will train our interviewers so that our recruitment decisions remain demonstrably fair and unbiased. We will continue to improve the design and content of our job adverts and selection processes, using plain English and targeting groups where we have evidence that they are under-represented in our organisation. We will consider the use of recruitment websites and agencies that are designed to attract diverse applicants and raise our profile as an organisation that welcomes employees from diverse backgrounds, using our open days and graduate recruitment events.

Our internal website will feature staff case studies demonstrating our commitment to a diverse workforce and we will run positive action campaigns where necessary.

From this year we will publish annual employment data in accordance with our gender, race and disability duties, which include numbers of staff employed, promotions and performance management. We are updating our diversity reporting mechanisms during 2010 to capture data on sexual orientation and religion or belief.

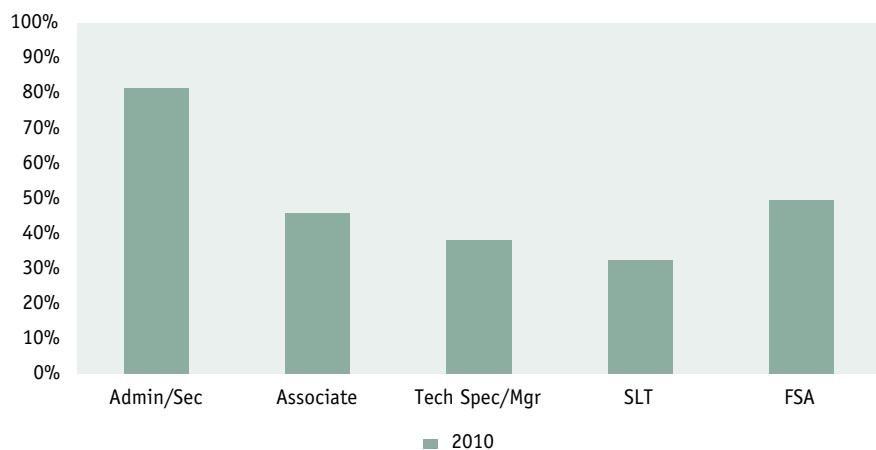
We carried out a benchmark exercise against the Chartered Institute of Public Finance and Accountancy (CIPFA).¹¹ The workforce data provided below was as at the end of March 2010. The cut of data for CIPFA was March 2009 (CIPFA's report runs 12 months in arrears).

¹¹ CIPFA, Value for Money Benchmarking survey 2008/09. Population of central government organisations with over £100mn operating budget.

11.2 Our workforce (including our office based in Scotland)

The FSA and gender

Table 1: Percentage of female staff by grade

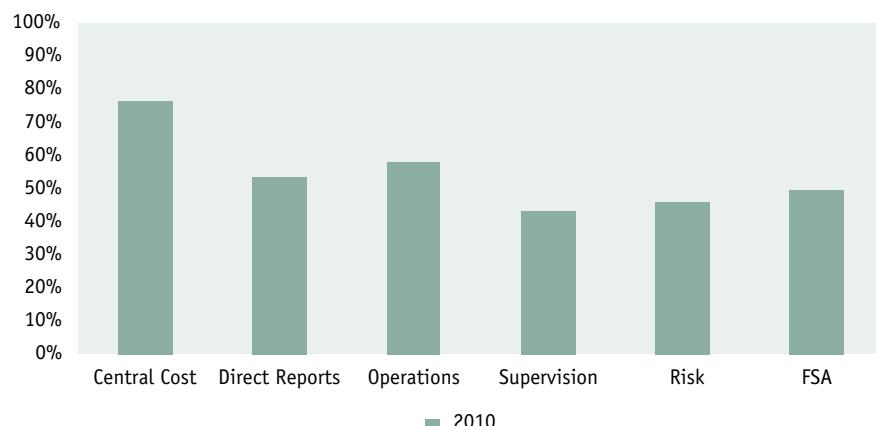


Key points

The percentage of women employed by the FSA varies by grade, with the administrator/secretary grades bringing the overall FSA number up to 50% female.

The gender make up of the FSA varies markedly by the grade of staff and to a lesser extent, between Business Units. Comparison with the CIPFA benchmark of 33% of female staff within leadership posts compares favourably with Senior Leadership Team (SLT) members at 32%.

Table 2: Percentage of female staff by Business Unit



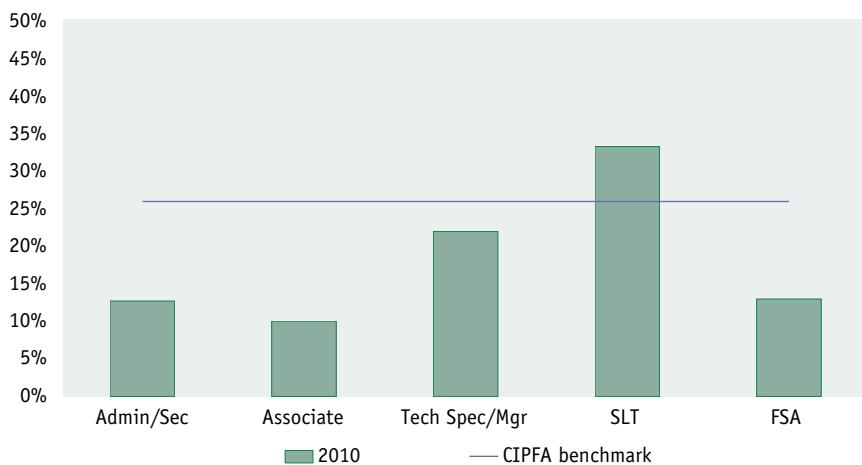
Key points

Overall, Supervision has the lowest percentage of female staff at 43%, compared to the highest in Operations. Further analysis of this result is required to understand exactly why this is the case.

Central costs are high largely due to the inclusion of staff on maternity leave within this area.

11.3 The FSA and age

Table 3: Percentage of staff aged over 50 years by grade



Key points

The CIPFA benchmark showed a mean level of staff aged over 50 years at 27%. Our population is young in comparison with 13% of staff aged over 50 years. On the whole, this shows that we do not align with the benchmark, particularly within the associate and administrator groups. The age of applicants for these grades are also well below the benchmark.

The age of SLT members and managers is greater than for other grades. No SLT members are aged under 30 years, and only 3% of managers are aged under 30 years.

Table 4: Percentage of staff aged over 50 years by Business Unit



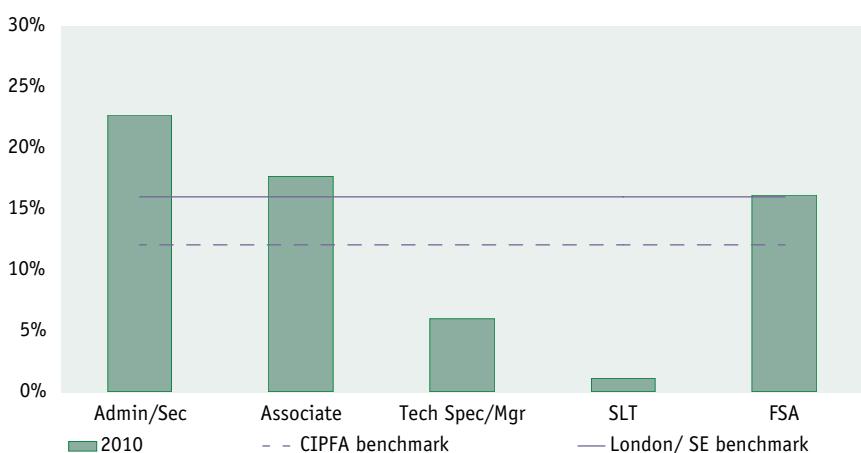
Key points

The chart highlights that, on average, Supervision has the highest percentage of staff aged over 50 years.

11.4 The FSA and ethnicity

17% of staff are from black, asian and minority ethnic (BAME) backgrounds and are most likely found in administrator and secretary grades. Within the Direct Reports Business Unit, levels of staff from black and ethnic minorities are lower. Compared to external benchmarks, we compare well with CIPFA.

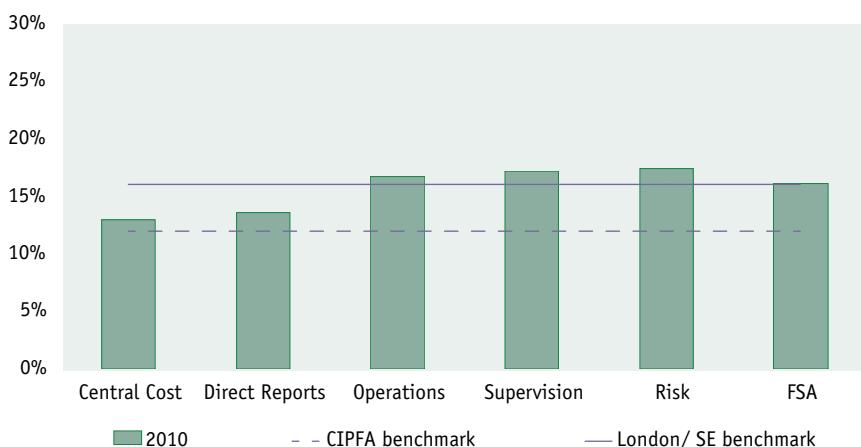
Table 5: Percentage of staff declared from black, asian and minority ethnic background by grade



Key points

The percentage of BAME staff is highest within the administrator and secretary grade and is much less in the associate, manager and SLT grades. Benchmarking this against the CIPFA results, we compare favourably against an average level of BAME declared population of 12%. We also compare favourably against the London and South East population of 16% BAME. However, we compare poorly against our local community (Tower Hamlets) of 49%. Specifically, within the Bangladeshi group, the local community has 33% representation as opposed to our 1%. Further analysis of the local population is needed to refine this benchmark data to include, for example, the extent that English is spoken and the level of degree qualifications.

Table 6: Percentage of staff declared from black, asian and minority ethnic background by Business Units

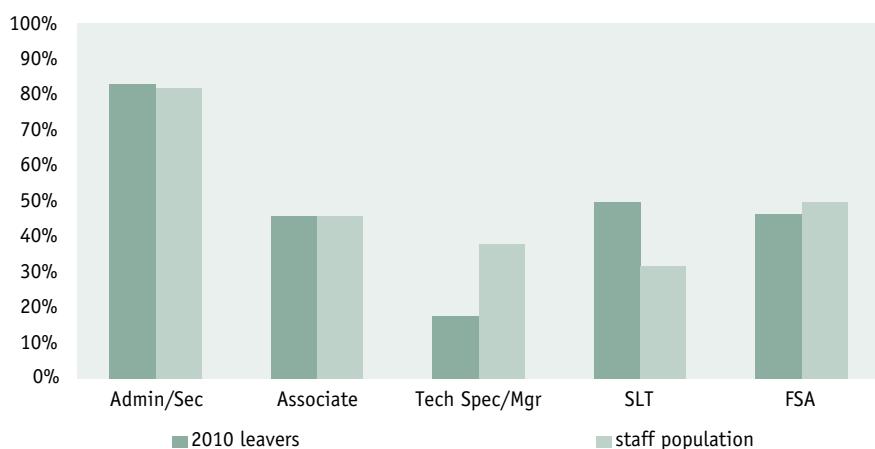


Key points

The percentage of BAME staff is quite consistent across the Business Units, with the exception of Direct Reports, which is 3% lower than other Business Units. This is striking given the relatively high percentage of administrators in Direct Reports (who have higher rates of BAME than other grades).

11.5 The FSA leavers' gender, age, ethnicity

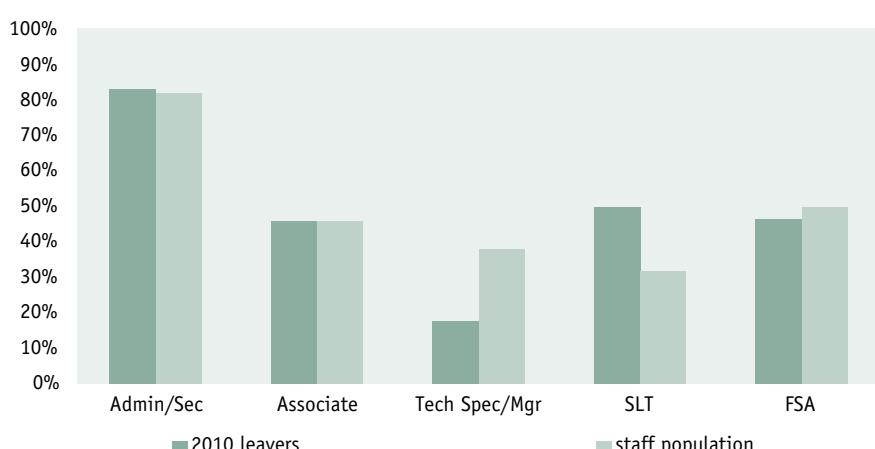
Table 7: Percentage of female leavers by grade



Key points

Female leavers in the SLT grades were fewer than ten, so this data may not be statistically significant.

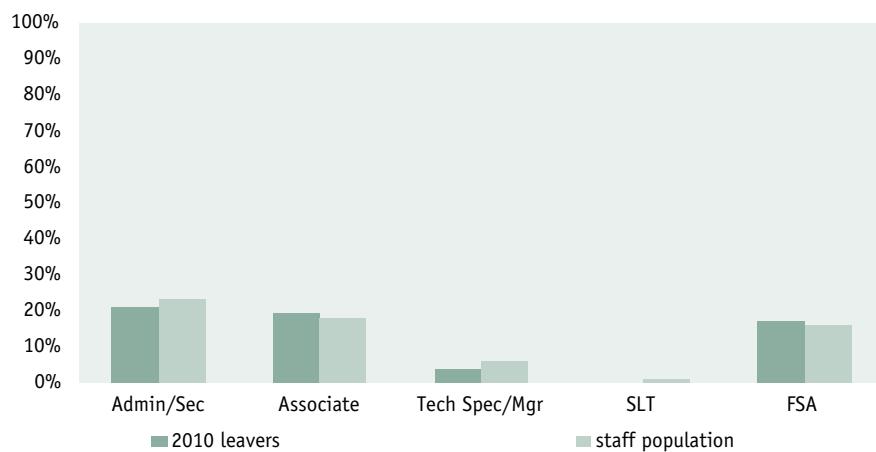
Table 8: Percentage of leavers aged over 50 years by grade



Key points

The percentage of leavers by age broadly reflects the population by age levels of the general staff population.

Table 9: Percentage of leavers declared from black, asian and minority ethnic background by grade

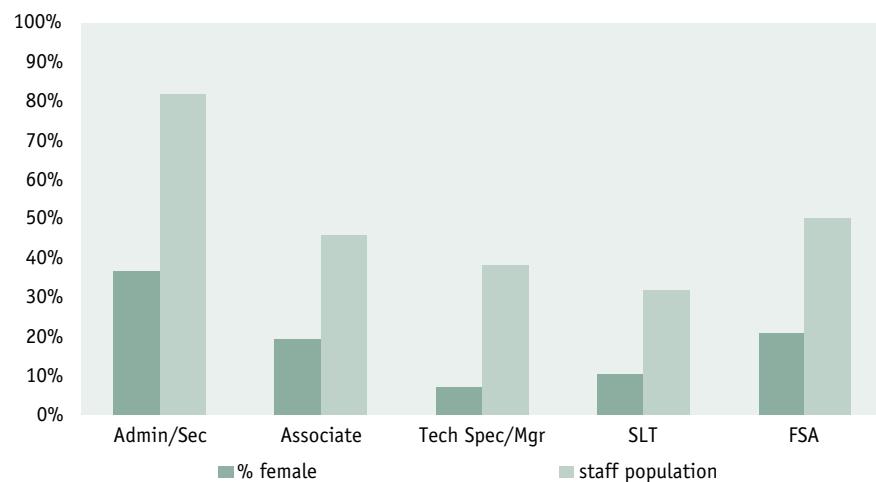


Key points

The percentage of BAME leavers broadly reflects the population of BAME staff within job grade.

11.6 The FSA applicants' gender, age, ethnicity

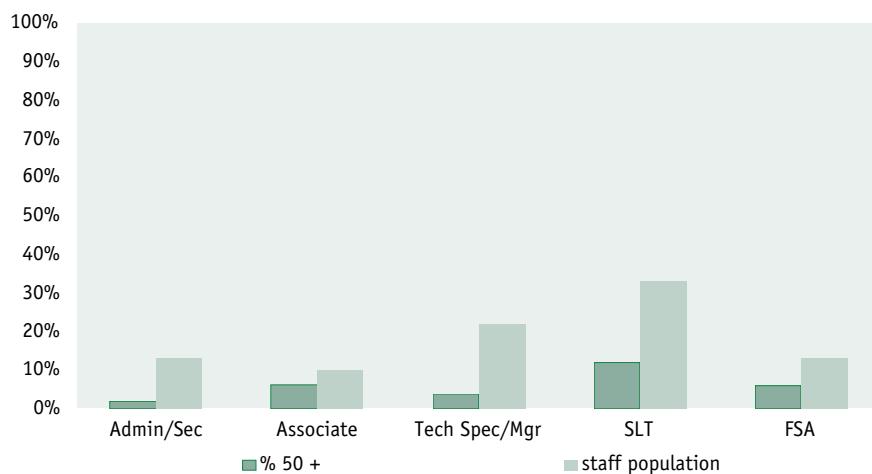
Table 10: Percentage of female applicants by grade



Key points

A high percentage of applicants do not declare their gender on application for a role with the FSA. When these are removed the percentage of female applicants is low at 38%.

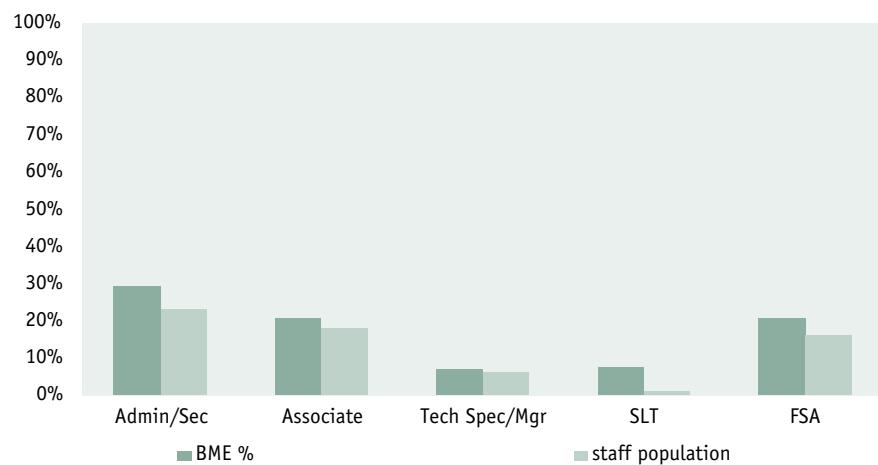
Table 11: Percentage of applicants aged over 50 years by grade



Key points

We receive low levels of applications from people aged over 50 years – however, a high percentage of applicants do not declare this information when applying for a role.

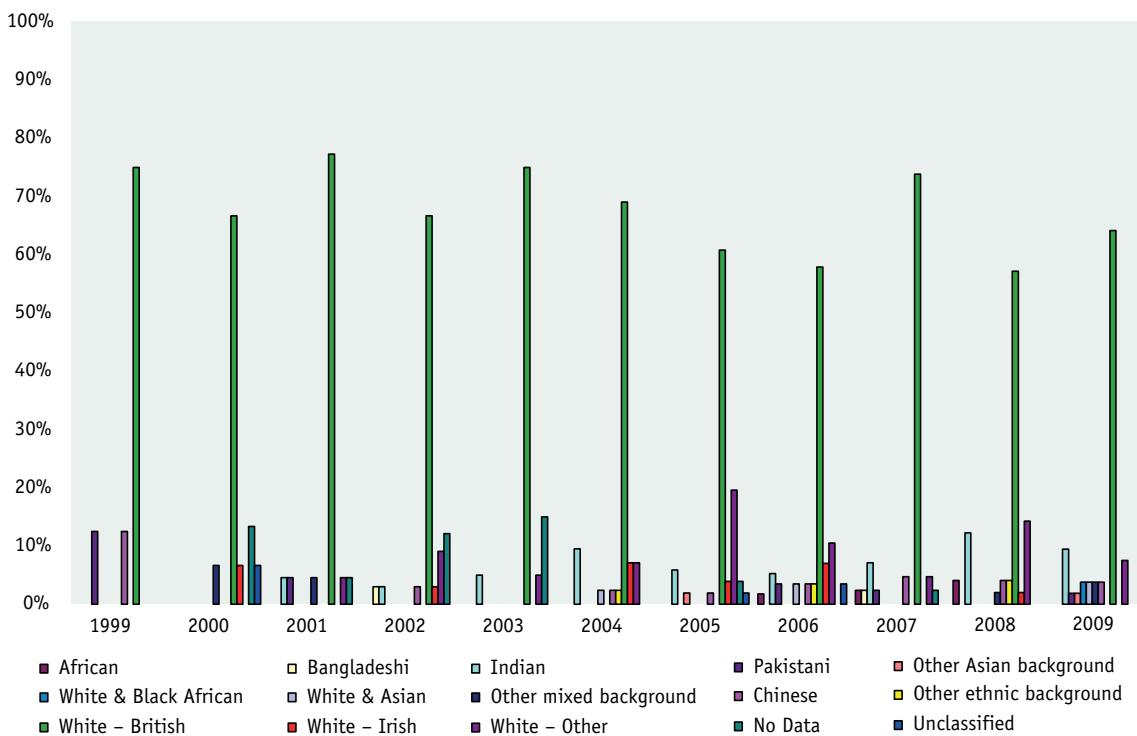
Table 12: Percentage of applicants declared from black, asian and minority ethnic background by grade



Key points

A high proportion of applicants do not declare their ethnicity when applying for a job at the FSA. When these are stripped out, the BAME percentage of job applicants is greater than the staff population, at 43%.

Table 13: Graduate ethnicity breakdown for each intake year



Key points

There has been a slight increase in the recruitment of White British graduates – from 57% in 2008 to 64% in 2009. Although the second largest intake has been Indian graduates, there has been a slight decrease in numbers – from 0.12% in 2008 to 0.09% in 2009. This group is followed by White Other at 0.07%.

Since 2002, there has been a steady recruitment intake of Chinese graduates, somewhere in between 0.02% to 0.04%. Graduate intake from Pakistani background has declined over the years from 0.12% in 1999 to 0.01% in 2009. There was 0.03% graduates recruited from Bangladeshi backgrounds in 2002 and 0.02% in 2007, none in the following years.

11.7 The future

Some FSA employees have a disability, but choose not to report it. Although 1.2% of our employees have reported that they have a disability, 41% of our employees have not provided any data on disability.

This low level of reporting is something we intend to address in 2010 by improving our reporting mechanisms, creating network support groups and improving access to work through effective workplace adjustments.

Our recording mechanisms will be updated in September 2010 to include sexual orientation and religion or belief. At that time we will remind staff of the benefits of providing such data (including disability data), and we will ask staff to update their diversity records.

Gender pay gap in the UK

12.1 Background to gender pay

The gender pay gap in the UK (as measured by the median or average hourly pay, excluding overtime of full-time employees) narrowed between 2006 and 2007 to its lowest value since records began. The gap between women's average hourly pay and men's was 12.6% in April 2007, compared with a gap of 12.8% recorded in April 2006. The average hourly rate for men went up 2.8% to £11.96, while the rate for women increased by 3.1% to £10.46.¹²

The largest difference was in the South East region, where women's average pay was 15.9% less than men's. The smallest gap was in Northern Ireland, at 2.8%.¹³

In 2007, average weekly earnings of full-time employees for women stood at £394 – 21% less than that for men (£498), unchanged from 2006.¹⁴

Although average hourly pay provides a useful comparison between the earnings of men and women, it does not necessarily indicate differences in rates of pay for comparable jobs. Pay medians are affected by the different work patterns of men and women, such as the proportion of men and women in different occupations, and their length of time in jobs.¹⁵

12.2 Gender pay at the FSA

During 2008/9, the Equality and Human Rights Commission (EHRC) carried out a study into gender pay differences within the financial services sector: *Financial Services Inquiry: Sex discrimination and the gender pay gap* (September 2009). In their report, the EHRC points out that because of our statutory duty, we have a role to play in gender pay equality.

12 Annual Survey of Hours and Earnings (ASHE).

Notes:

The median is the value below which 50% of employees fall.

Pay refers to gross pay (before tax) of full-time employees on adult rates whose pay for the survey week was unaffected by absence.

The Annual Survey of Hours and Earnings is based on a sample of employee jobs taken from HM Revenue & Customs records. The 2007 ASHE is based on approximately 142,000 returns. In 2007 information was collected for the pay period that included 18 April.

13 Annual Survey of Hours and Earnings (ASHE) from HM Revenue & Customs records 2007.

14 Annual Survey of Hours and Earnings (ASHE) from HM Revenue & Customs records 2007.

15 Annual Survey of Hours and Earnings (ASHE) from HM Revenue & Customs records 2007.

The EHRC highlight the Gender Equality Duty code of practice, which states that ‘a public authority may have functions which have the potential to address the gender pay gap in a wider policy sense’, and if so, ‘the public authority should also be considering whether it can address the causes of the gender pay gap within that wider remit where appropriate’. This places the FSA (which is classified as a public sector body for the purpose of pay equality) in a position to pay ‘due regard’, to champion not only equality of pay within the organisation but within the wider regulated industry. There must be synergies between our approach to pay equality internally and our recently released remuneration principles for the industry (which state the need to be particularly mindful to avoid discrimination in pay decisions).

While it is important to retain a sensible perspective regarding equal pay, fair and non-discriminatory systems represent good management practice and contribute to the achievement of business objectives by encouraging optimum performance from all employees. Taking out an equal-pay claim is not particularly easy and the cost can be a barrier to many people. But any case brought is very time consuming and expensive for any organisation and therefore it is vital to mitigate situations that could give rise to those claims.

Our second Equal Pay Audit was conducted during 2009. Under the terms of equal pay legislation, a company is required only to produce a report showing pay by gender. However, our report outlined the detailed year-on-year changes against race, gender and age, and included disability for the first time.

Pay systems that are transparent and value the entire workforce send positive messages about our values and ways of working and support the wider diversity agenda. Some improvements have been captured during the year – we continue to work to improve our job family structure by developing sub-levels within the job families that mean we can provide more accurate reference across to the external marketplace. This is particularly important in areas where skills are in high demand/short supply and where salaries continue to command a premium.

12.3 Progress since 2008

Achievements

- The Equal Pay Audit has become an annual activity.
- Personal data (covering disability and ethnicity) is now checked twice a year basis, by sending all individuals a reminder email to check and update their information.
- There have been significant improvements in the quality of peer data gathered as part of the pay/incentive process, ensuring that we are able to compare individuals on a like for like basis at an appropriate level.

Areas still requiring improvement

- While we have analysed the areas of age and disability to a greater level than last year, further work needs to be carried out to fully understand and explain any differentials. With particular regard to disability, we believe that we need to focus on gathering the correct underlying statistics (of people recording their status) to provide a statistically valid comparison for the purpose of equal pay.
- In areas where we have identified a differential that can be explained with reference to skills and experience, we need to work on being able to record these reasons.

12.4 The future

Although there are statistically significant differences regarding gender, age and ethnicity at an organisation and in certain job families, closer inspection shows that for each category, a difference in one family is usually offset by the reverse pattern in another. While this does not justify a difference, it demonstrates there is no inherent bias for or against a particular category at the organisation level. The job families where differences occur differ from those identified last year, with few exceptions (and in those cases the differentials have been eroded by the application of additional funds during the year).

For completeness, we suggest that further analysis be conducted into a selection of job families that have been identified as having an unexplained differential. This would reveal any inherent discrimination.

Within certain job levels there were insufficient comparisons against each of the constructs, raising the question of whether barriers exist. In these cases, we should ensure that recruitment, performance and promotion practices are free from bias.

At an FSA-wide level, a pay gap of more than 5% exists by gender, ethnicity and age. However, at such a high level we are not comparing like for like, for example, because the proportion of women is higher at lower grades, and therefore the average salary of women as a group is lower. We have seen improvements in the pay gap for both gender and ethnicity. Age and disability were new for 2009, and so do not yet have a comparison.

We will be publishing our results over the next few months.

Managing diversity at the FSA

All Senior Leadership Team members, managers and staff share the responsibility of creating an environment that helps us make measurable progress towards our equality and diversity agenda.

Table 14: Diversity governance framework at the FSA

Executive Diversity Committee				
A sub-committee of ExCo that is responsible for leading and directing the FSA's internal and external diversity agenda in support of making the FSA an employer of choice and a more effective regulator				
Relationships with external networks	HR Diversity Project Board	Regulatory Diversity Project Board	General Counsel's Division	Diversity Working Group
<p>The FSA will establish relationships with external networks in order to:</p> <ul style="list-style-type: none"> • Learn from best practice • Promote best practice • Benchmark progress against our diversity agenda 	<p>Accountable for the delivery of diversity project workstreams relating to:</p> <ul style="list-style-type: none"> • HR policies and processes • Training • Reporting • Communications • Recruitment <p>Associated Operations BU diversity activity:</p> <ul style="list-style-type: none"> • Procurement 	<p>Responsible for:</p> <ul style="list-style-type: none"> • Looking at diversity from a regulatory perspective (terms of reference still to be agreed) 	<p>Responsible for:</p> <ul style="list-style-type: none"> • Providing legal advice relating to how discrimination law affects the FSA as a regulator 	<p>Responsible for:</p> <ul style="list-style-type: none"> • Championing (at all levels) internal, employment related diversity matters within the FSA
Staff Consultative Committee				
All staff and managers				
Responsible for maintaining a working environment that respects individual differences				

22/09/2010

Diversity in the FSA is aimed at all, although we recognise that people at different levels in the organisation carry varying responsibilities.

Executive Committee (ExCo)

The Executive Committee (ExCo) is the most senior executive committee and takes strategic decisions on anything affecting us as a whole.

Executive Diversity Committee

The Executive Diversity Committee (EDC) acts with the full authority of ExCo. The main role and purpose of the EDC is to lead and direct our diversity agenda to make us an employer of choice and a more effective regulator by:

- ensuring all elements of our internal and external diversity obligations are identified, and timetables and actions plans put in place;
- identifying new and emerging diversity-related legislation, codes or practice, or business risks on a regular basis and highlighting the impact they may have on us in our role as an employer or a regulator;
- providing direction and taking decisions on diversity-related matters affecting the FSA;
- monitoring diversity-related activity and providing direction on priorities;
- championing diversity within the FSA and facilitating an exchange of information across the FSA and regulated firms on diversity best practice; and
- monitoring internal and external diversity-related data and identifying areas for focus and particular action.

To fulfil its role the EDC will oversee the following:

- information for the FSA Board and Executive Committee, including internal and statutory diversity data and corporate social responsibility reporting;
- reports from General Counsel Division on emerging legal issues; and
- reports from HR and other Business Units on business risks, including mitigation strategies, mitigation effectiveness and action plans.

Diversity Strand Champions

Diversity Strand Champions are members of the Senior Leadership Team. They will champion and promote the benefits of diversity and equality both internally and externally.

HR Diversity Project Board

This Project Board is concerned with how outcomes for which the project is responsible are to be achieved, and acts as the key decision-making body for the project by:

- advising on and confirming the overall direction and design of the project;
- overseeing all delivery of project planning;
- ensuring strategy is delivered to time, cost and quality;
- ensuring effective plans to embed diversity into business as usual is developed and implemented;
- ensuring effective communication plan and stakeholder management is in place;
- taking decisions and ensuring actions are taken for project risks and issues;

- overseeing the project governance and ensuring sufficient audit trail of decisions and work undertaken; and
- overseeing benefits realisation of project deliverables and lessons learned.

Regulatory Diversity Project Board

The Regulatory Diversity Project Board is composed of senior staff representing our principal regulatory functions across policy-making, supervision and enforcement.

It is responsible for:

- mainstreaming equality and diversity issues into our external regulatory role; and
- ensuring that our regulatory functions pay due regard to equality and diversity issues in a systematic way when effecting regulatory outcomes in line with our statutory objectives.

Diversity Working Group (DWG)

- The Diversity Working Group is a representative group of staff from all levels and areas of the FSA. It considers employment-related matters of diversity and diversity awareness internally within the FSA and acts as local champions for diversity matters.
- This includes matters relating to age, gender, disability, race, religion or belief, sexual orientation, gender reassignment and pregnancy and maternity equality and other aspects of diversity (including flexible working patterns, training opportunities, reward and equality in career progression).

Staff Consultative Committee (SCC)

- The purpose of the SCC is to strengthen the process of information exchange and consultation between us and our employees, including testing ideas and approaches with staff and giving staff an opportunity to influence the development of the FSA. It complements, in a highly visible way, arrangements in place within individual divisions and departments for bottom-up and top-down communication.

Managers

Managers are responsible for:

- ensuring that their teams understand what their duties under this scheme are;
- addressing equality and diversity issues in the business plans and performance review of their area of the business;
- implementing the strategy as part of day-to-day management (after equality and diversity training) addressing equality and diversity issues in performance appraisal; and
- ensuring all staff act in accordance with the diversity strategy, providing necessary support and direction.

Each employee is responsible for:

- familiarisation with the contents of this scheme, and in particular the corporate outcomes and actions that are relevant to their work;
- actively addressing equality issues in their day-to-day work – for example by raising any equality issues with line managers, HR, the Equal Opportunities Officer etc; and
- ensuring their own behaviour is appropriate – for example by not using offensive language or terminology.

Our diversity projects and events

This section covers diversity programmes and events carried out by the FSA. This includes:

1. graduate schemes and key graduate events;
2. Community Affairs projects and events; and
3. faith groups within the FSA

1. Graduate scheme and key graduate events

In 2009 we have implemented a number of key initiatives to attract a diverse range of candidates to our internship and graduate programmes and support the wider business commitment to diversity.

Insight programme

In 2009 we piloted a diversity specific Insight Programme designed to open our doors to students from a wide variety of backgrounds – for this event we targeted students from ethnic minorities, women, those with disabilities and students from universities we are unable to attend as part of our campus strategy. 131 people applied for a place on the event and we invited 40 to attend. The event included case studies, skills sessions and networking with graduates and managers. 100% of those who attended stated their aspiration to work at the FSA following the event.

Employability

We also continue our partnership with Employability to attract and support candidates with disabilities to work at the FSA. This has delivered a number of successes for us over the past two years and ensures candidates receive the right support throughout our selection process and beyond.

Key highlights

- Applications from non-white candidates increased by 11% from 34% to 45%.
- Offers to ethnic minorities are currently 38% of offers made.

- We have recruited an equal number of males and females – female recruitment has increased by 16%.
- 7% of our graduate intake have declared a disability.

Table 15: Retention rate on our graduate programme

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Number Recruited	9	18	22	33	21	43	51	57	41	49	59
Numbers who have left FSA	8	11	13	18	11	20	24	16	5	1	3
Current Number	1	7	9	15	10	23	27	41	36	48	56
Retention Rate	11%	39%	41%	45%	48%	53%	53%	72%	88%	98%	95%

Projects for 2010/11

- Build on the success of the Insight Days – look to run separate events for different areas of diversity so that we can offer places to a larger number of delegates.
- Continue our involvement in Public View and look to offer an additional event focusing on women.
- Look to build relationships with targeted organisations, such as Elevation Networks and Rare Recruitment.
- Continue to work closely with employability and build on our success in this area.
- Identify diversity champions to support our marketing activities.
- Review our marketing materials with focus groups to gather feedback on how we are presenting our recruitment messages.

2. Community Affairs (CA) and links with our diversity policy

Although, we are not subject to the socio-economic duty of the Equality Act 2010, we do have a corporate responsibility. We offer volunteering opportunities within the local geographical areas of Tower Hamlets, Newham and Greenwich, based on Employability, Regeneration and Education.

Our approach to CA aims to raise:

- our profile as an employer of choice;
- staff awareness of issues facing local community; and
- employability options for local people living in one of the poorest boroughs in the UK.

Many students are first generation learners; a high proportion come from families where no-one has ever worked. This leads to a lack of positive role models and aspiration. Our CA programme aims to help by supporting, guiding and challenging the ethos of structured worklessness, and help by providing support to access employment opportunities.

Our CA programme offers something suitable to all members of the FSA regardless of their age, disability, gender, race, religion or belief, or sexual orientation.

Projects in 2010

Summer Work Placement Scheme with National Skills Academy and Tower Hamlets College

This scheme has been running for eight years and is designed to offer A-level students attending college in Tower Hamlets the opportunity of real work experience at the FSA. The programme was originally set up to increase the number of young people employed at the FSA, although the focus changed over the years as we could not guarantee jobs and many students now plan to go to university to increase their chances of obtaining a good job.

In 2007, this project was widened to include returners to work and graduates who perhaps would not manage to find a place on the FSA's graduate scheme. We do not promise employment but many FSA staff have joined the company through this route:

One year's internship in the Chairman/CEO's office

Since 2008, CA has sourced candidates through the National Skills Academy, including those on the Summer Work Placement Project, to spend a year in the Chief Executive's Officer's office as an intern.

Mentoring with National Skills Academy/Tower Hamlets College

Volunteers are recruited to act as role models and mentors to A-level students. The focus is on career aspirations and supporting students with their options.

Workshops

Our focus is on employability, focusing on skills and business etiquette, rather than promoting vacancies. CA offers staff the chance to participate in facilitating workshops with schools and colleges. This allows us to have a greater impact on local employment by focussing on raising awareness of the skills and attitudes needed to obtain a good job. The workshops include advice on skills sessions, interview practice, writing a CV, the importance of teamwork, leadership skills etc. This in turn raises our profile of the FSA as an employer of choice.

East London Business Alliance (ELBA) Community Affairs Trainee Scheme

This was set up by our charity broker, ELBA, to offer places to local graduates interested in Corporate Responsibility (CR) to join relevant departments in large companies such as the FSA, law companies and banks.

Junior administrator positions

In 2008, senior management attended a tour of local projects supported by Community Affairs and, following this, one of our Heads of Department asked CA to find two candidates for junior administrator positions. We deliberately targeted school leavers as

we wanted to support their development by offering them day release to study for NVQ qualifications. This was very successful and the exercise was repeated in early 2010.

Work experience for two weeks for 15/16 year olds

Although we have offered support to local schools by promoting work experience opportunities so young people have a real-life experience of working in a major company, we feel it is more valuable to focus on workshops as this benefits a wider group of people.

Insight days

We have supported the University of East London by providing volunteers for their mock assessment centres. The assessment days help prepare students for processes they may have to go through during a graduate recruitment process.

Projects in 2010/11

We will continue to provide a wide range of activities for our volunteers similar to those above but we also want to deliver more sustainable projects.

1. We have 'adopted' a school – Rokeby Boys School based in Newham

We are putting in place a range of activities to support the school, including some of the following:

- Future First workshop focusing on CV, team work, aspirations etc;
- support for the School Council – a joint initiative with Thomson Reuters whereby volunteers visit the school to deliver lunchtime sessions on topics chosen by the Council such as: leadership; time management; communication; chairing meetings; and
- we are providing leadership support to Rokeby Business Support Group, which is chaired by the director of our International Division.

2. Team challenges

As part of our team challenges we will be running projects to support the following challenges.

2.1 Carpenters Primary School

- A particularly wide range of ethnic groups is represented. The largest of these groups has a black-African heritage. Other sizeable groups that originated in the Indian sub-continent, are white or black-Caribbean.
- Around 70% speak English as an additional language, which is very high compared with other schools, and about half of these are at an early stage of learning English.
- A little over 20% of pupils are identified as having special educational needs, which is average. Most of these pupils experience learning difficulties.
- Volunteers will be offered a series of projects, such as painting, support for the gardening club and career days (for both the pupils and their parents).

2.2 Deptford Mission

- The Deptford Mission celebrated its centenary in 2003 and has a history of social care.
- A soup kitchen was also one of its major projects in its earlier days.
- The Disabled People's Contact (DPC) is a club that runs three days a week – Tuesday, Wednesday and Thursdays for the elderly and those with physical or emotional difficulties. It runs from 10.30am to 3.30 pm on Tuesday, Wednesday and Thursday and includes a cooked lunch.
- The centre provides a lifeline for not only the disabled, but also people who are socially isolated, including the elderly.
- Christmas dinner is provided every year so that people can enjoy it together and excursions are organised to improve local peoples' quality of life.

2.3 Tower Hamlets Homes – various sites

- Action Plans for 27 neighbourhoods – adopt an estate, e.g. communal gardens and, with support from local residents, improve the environment.

Other projects

- Strengthen links with the graduate recruitment team, e.g. through employing a Teach First graduate for a short time to plan joint projects.
- Support for The Brokerage CityLink through facilitating workshops designed to give participants an insight in to the skills and qualities desired by the City.
- Continue to recruit Board Members for a variety of organisations. These are sourced through our charity broker, ELBA.
- Revamp our marketing to advertise the links between the CA Programme, Diversity and Sustainable Projects benefitting the community.
- Recruit community champions to promote CA, as well as feedback on issues raised by FSA staff, and report back to managers and above.
- Consider allowing the new champions to forge their own links with local charities and try and get some of the brokering done in more direct ways.
- Liaising with Canary Wharf events to bring the local community and local companies together.

3. Faith groups

We have a number of established and new faith groups in the FSA. For example, our Christian staff group exists to provide support to Christians and others at the FSA.

We also have a multifaith prayer/contemplation room, which is available for all staff. Some key events run by our Christian Group include:

- members of the FSA Christian Group paint Aram House, Forest Gate, East London;
- July 2009 – Meeting with FSA Muslim Group;
- inaugural lunch between members of the FSA Christian and Muslim groups;
- Project Madagascar – Building a school in one of the worlds impoverished areas; and
- April 2009 – Homeless Hostel Restoration.

Please check our FSA website for further information on our graduate programmes:
www.fsa.gov.uk.

Annexes

1. Consultation list
2. Glossary of terms used in this Scheme
3. List of abbreviations
4. Key legislation
5. Types of discrimination: Definitions
6. List of tables
7. Key documents supporting the Scheme
8. Single Equality Scheme Action Plan

Accessibility and contact details

Consultation list

Internal Stakeholders

- Executive Committee
- Executive Diversity Committee
- HR Diversity Project Board
- Regulatory Diversity Project Board
- General Counsel Division
- Senior Leadership Team
- Staff Consultative Committee
- Operations Committee
- HR Diversity Workstream leaders
- HR Business Partners
- Strategy, Planning and Performance
- Procurement
- Faith Groups
- Diversity Strand Champions
- Diversity Working Group
- Staff focus groups
- All Staff

External stakeholders

- Equality and Human Rights Commission
- Race for Opportunity
- Opportunity Now
- Stonewall
- Employer's Forum on Age
- Employer's Forum on Disability
- Employer's Forum on Religion and Belief
- Women's Insurance Network
- 3D Change
- Solicitors Regulatory Authority
- FSA's independent panels (Practitioner, Smaller Businesses Practitioner, and Consumer)
- East London Business Alliance (ELBA)
- General public, via the FSA website

Glossary of terms used in this Scheme

Access

Access refers to the mechanisms by which people with a range of needs (such as disabled people, people with children, people whose first language is not English) find out about and use services and information. For disabled people, access means the freedom to participate in the work place, economy, social and cultural life and in the life of the community.

Bisexual

A man or woman who is emotionally, physically and/or sexually attracted to both males and females.

BAME (Black, Asian and Minority Ethnic)

An inclusive term that refers to all ethnic people/groups who have a common experience of discrimination on the basis of their skin colour.

Disabled person

A disabled person is someone who has impairment either physical or mental, experiences externally imposed barriers and self-identifies as a disabled person.

Diversity

The differences in the values, attitudes cultural perspective, beliefs, ethnic background, sexual orientation, skills, knowledge and life experiences of each individual in any group of people. This term refers to differences between people and is used to highlight individual need. It can be used inappropriately as an alternative to equal opportunities. It avoids reference to discrimination and the equality impact that power imbalances have on different communities.

Equalities

Used as a short-hand term to refer to all work addressing issues of discrimination and disadvantage, particularly as it relates to single equality, race, disability, gender, sexual orientation, religion/belief and age.

Equality

The vision or aims of creating a society free from discrimination, where equality of opportunity is available to individuals and groups enabling them to live their lives free from discrimination and oppression.

Equal opportunities

The development of practices that promote the possibility of fair and equal chances for all to develop their full potential in all aspects of life and the removal of barriers of discrimination and oppression experienced by certain groups.

Ethnicity

An individual's identification with a group sharing any or all of the following: nationality, lifestyles, religion, customs and language.

Gay man

A man who is emotionally, physically and/or sexually attracted to men.

Gender

A concept that refers to the social differences between women and men that have been learned and are changeable over time and have wide variations both within and between cultures.

Gender reassignment

A transsexual person is someone who proposes to, starts or has completed a process to change his or her gender. The Equality Act no longer requires a person to be under medical supervision to be protected – so a woman who decides to live permanently as a man but does not undergo any medical procedures would be covered. Transgender people such as cross dressers, who are not transsexual because they do not intend to live permanently in the gender opposite to their birth sex, are not protected by the Equality Act.

Lesbian or gay woman

A woman who is emotionally, physically and/or sexually attracted to women. Not all lesbians are comfortable with the term and choose to identify as either gay or a gay woman.

Mainstreaming

The phrase is used to describe the integration of equalities into policy development, implementation, evaluation and review. Each part of the organisation accepts its own responsibility for promoting equality of opportunity and challenging discrimination.

Performance management

A process, by which an organisation declares its vision, sets objectives against this vision, assigns accountability for these objectives, regularly reviews progress towards these objectives and rewards successful delivery of these objectives.

Sexual orientation or sexuality

Sexual orientation is a person's emotional, physical and/or sexual attraction, and the expression of that attraction. It is not a choice that people make; rather sexual orientation is something that people are born with. Sexual orientation refers to both gay and heterosexual (or 'straight') people.

Social inclusion

The position from where someone can access and benefit from the full range of opportunities available to members of society. It aims to remove barriers (social exclusion) for people or for areas that experience a combination of linked problems, such as unemployment, poor skills, low incomes, poor housing, high crime environments, poor health and family breakdown.

List of abbreviations

BAME	Black, Asian and Minority Ethnic
CA	Community Affairs
DRC	Disability Rights Commission
EDC	Executive Diversity Committee
EHRC	Equalities and Human Rights Commission
EU	European Union
EIA	Equality Impact Assessment
ExCo	Executive Committee
FSA	Financial Services Authority
GCD	General Counsel Division
HR	Human Resources
OpCo	Operations Committee
SCC	Staff Consultative Committee
SLT	Senior Leadership Team

Key legislation

- Disability Discrimination Act 1995
- Disability Discrimination Act (Amendment) 2003
- Disability Discrimination (Amendment) Act 2005
- Distance Marketing Regulations 2004
- Employment Equality (Religion or Belief) Regulations 2003
- Employment Equality Regulations Act 2003
- Employment Equality (Age) Regulations 2006
- Enterprise Act 2002
- Equal Pay Act 1970
- Equality Act 2006
- Equality Act 2010
- Financial Services Act 2010
- Financial Services and Markets Act 2000
- Gender Recognition Act 2004
- Gender Equality Duty (2007)
- Industrial and Provident Societies Act 1965
- Legislative and Regulatory reform Act 2006
- Payment Services Regulations 2009
- Proceeds of Crime Act 2002
- Race Relations Act 1976
- Race Relations (Amendment) Act 2000
- Sex Discrimination Act 1975
- Unfair Terms in Consumer Contracts Regulations 1999

The following are some of the more significant functions we have under non-FSMA legislation:

- **Enterprise Act 2002:** The FSA is designated as a consumer enforcer under the Enterprise Act 2002. This gives the FSA power to apply to the courts to stop traders infringing a wide range of consumer protection legislation where those infringements harm the collective interests of consumers.
- **Proceeds of Crime Act 2002:** The FSA is designated as an accredited financial investigator for the purposes of confiscations, investigations and for restraining orders.
- **Unfair Terms in Consumer Contracts Regulations 1999:** The FSA may seek an injunction to prevent the use of a contract term drawn up for general use in a financial services contract that appears to the FSA to be unfair.
- **Distance Marketing Regulations 2004:** The FSA is designated as the body responsible for considering and, if necessary, taking action against persons responsible for breaching specified contracts.
- **Payment Services Regulations 2009:** The FSA is designated as the body responsible for registering and authorising payment institutions and regulating payment service providers.
- **Money Laundering Regulations 2007:** The FSA is designated as the supervisory authority for credit and financial institutions (which are firms), trust or company service providers (which are firms) and for various other financial institutions. As such the FSA must effectively monitor such persons and take whatever measures are necessary so as to ensure their compliance with the Regulations.
- **Regulated Covered Bonds Regulations 2008:** The FSA is responsible for supervising the regime, including admission of issuers and bonds and reporting in relation to regulated covered bonds. The FSA also maintains a register of the issuers and of regulated covered bonds and has supervisory and enforcement powers.

5

Types of discrimination: Definitions

Direct discrimination

Direct discrimination occurs when someone is treated less favourably than another person because of a protected characteristic they have or are thought to have (see perceptive discrimination below), or because they associate with someone who has a protected characteristic (see associative discrimination below).

Associative discrimination

Already applies to race, religion or belief and sexual orientation. Now extended to cover age, disability, gender reassignment and sex. This is direct discrimination against someone because they associate with another person who possesses a protected characteristic.

Perceptive discrimination

Already applies to age, race, religion or belief and sexual orientation. Now extended to cover disability, gender reassignment and sex. This is direct discrimination against an individual because others think they possess a particular protected characteristic. It applies even if the person does not actually possess that characteristic.

Indirect discrimination

Already applies to age, race, religion or belief, sex, sexual orientation and marriage and civil partnership. Now extended to cover disability and gender reassignment. Indirect discrimination can occur when you have a condition, rule, policy or even a practice in your company that applies to everyone but particularly disadvantages people who share a protected characteristic.

Indirect discrimination can be justified if you can show that you acted reasonably in managing your business, i.e. that it is 'a proportionate means of achieving a legitimate aim'. A legitimate aim might be any lawful decision you make in running your business or organisation, but if there is a discriminatory effect, the sole aim of reducing costs is likely to be unlawful. Being proportionate really means being fair and reasonable, including showing that you've looked at 'less discriminatory' alternatives to any decision you make.

Harassment

Harassment is ‘unwanted conduct related to a relevant protected characteristic, which has the purpose or effect of violating an individual’s dignity or creating an intimidating, hostile, degrading, humiliating or offensive environment for that individual’.

Harassment applies to all protected characteristics except for pregnancy and maternity and marriage and civil partnership. Employees will now be able to complain of behaviour that they find offensive even if it is not directed at them, and the complainant need not possess the relevant characteristic themselves. Employees are also protected from harassment because of perception and association.

Third-party harassment

This already applies to sex. Now extended to cover age, disability, gender reassignment, race, religion or belief and sexual orientation. The Equality Act makes you potentially liable for the harassment of your employees by people (third parties) who are not employees of your company, such as customers or clients. You will only be liable when harassment has occurred on at least two previous occasions, you are aware that it has taken place, and have not taken reasonable steps to prevent it from happening again.

Victimisation

Victimisation occurs when an employee is treated badly because they have made or supported a complaint or raised a grievance under the Equality Act; or because they are suspected of doing so. An employee is not protected from victimisation if they have maliciously made or supported an untrue complaint. There is no longer a need to compare treatment of a complainant with that of a person who has not made or supported a complaint under the Act.

Dual discrimination

Discrimination occurs because of a combination of two protected characteristics ('dual discrimination'). The protected characteristics, which may be combined are age, disability, gender reassignment, race, religion or belief, sex and sexual orientation.

List of tables

Table 1: Percentage female staff by grade

Table 2: Percentage of female staff by Business Units

Table 3: Percentage of staff aged over 50 years by grade

Table 4: Percentage of staff aged over 50 years by BU

Table 5: Percentage of staff declared from black and ethnic minority background by grade

Table 6: Percentage of staff declared from black and ethnic minority background by Business Units

Table 7: Percentage of female leavers by grade

Table 8: Percentage of leavers aged over 50 years by grade

Table 9: Percentage of leavers declared from black and ethnic minority background by grade

Table 10: Percentage of female applicants by grade

Table 11: Percentage of applicants aged over 50 years by grade

Table 12: Percentage of applicants declared from black and ethnic minority background by grade

Table 13: Graduate Ethnicity breakdown for each Intake Year

Table 14: Diversity governance framework at the FSA

Table 15: Retention rate on our graduate programme

Key documents supporting the Scheme

- Annual Survey of Hours and Earnings (ASHE), from HM Revenue & Customs records 2007
- Audit commission's Annual Review in 2009
- ACAS Equality Guide 2010
- Business Plan 2009/10
- Business Plan 2010/11
- CIPFA, Value for Money Benchmarking Survey 2008/09. Population of central government organisations with over £100m operating budget
- 2007-08 Citizenship Survey-Race Religion and Equalities Topic Report, Department of Communities and Local Government, December 2009
- Communities and Local Government (2009), A Framework for Fairness: Proposal for a Single Equality Bill for Great Britain – A Consultation Paper
- Corporate responsibility at the FSA 2009/10 report
- Equality and Human Rights Commission
- Financial Ombudsman Service's Annual Review 2008/9 (updated 2010)
- FSA's Diversity Statement
- Government Equalities Office, Equality Guide 2010
- Government Equalities Office (2009), Equality Bill, Framework for a Fairer Future
- Labour Force Survey, Q2 2008, Office of National Statistics (ONS) 2008 population estimates
- Office of National Statistics (ONS)
- Office of Public Sector Information
- Promoting Equality, Valuing Diversity 2008 for the civil service

- UK Parliament, Equality Act 2010
- UK Parliament, House of Commons (2009), Equality Duty
- UK Parliament, Summary of the Equality Bill, (2009/10)

Single Equality Scheme Action Plan

Corporate diversity Objective 1

Equality and diversity are integral to all our strategies, services, policies and plans ensuring that our behaviours match our vision.

No.	Equality duties/Key strands	Actions	Outcomes	Lead responsibility	Dates
1	All	<p>Provide Equality Impact Assessment (EIA) training to key policy/strategy staff using our new Equality Impact Assessment toolkit.</p> <p>Test strength and impact of training process to ensure results.</p>	<p>Relevant staff are aware of and understand the importance of the Equality Impact Assessment process. Staff are comfortable in carrying out an Equality Impact Assessment on new and existing policies, strategies, services and functions.</p>	<p>Diversity and Equality Consultant</p> <p>Diversity Coordinator</p> <p>HR Diversity Consultant</p>	<p>August 2010 (Phase 1)</p> <p>Nov 2010 (Phase 2)</p>
2	All	<p>Develop a prioritised Equality Impact Assessment rollout plan. Carry out initial screening on all high priority policies, strategies, services and functions for Equality Impact Assessment. Produce a list of high, medium and low policies, strategies, services and functions to be EIA'd over a 3 year rolling action plan.</p>	<p>Equality Impact Assessment process is fully embedded within the organisation.</p>	<p>Diversity and Equality Consultant,</p> <p>Project Manager – Regulatory Diversity Project Board</p> <p>Diversity Coordinator</p> <p>HR Diversity Consultant</p>	<p>August – Dec 2010</p>
3	All	<p>Carry out full Equality Impact Assessment on all high priority policies, strategies, services and functions.</p>	<p>Equality Impact Assessment actions will be included in our future Single Equality Scheme action plan. Executive Diversity Committee receives regular report by project board/individuals.</p>	<p>Project Manager – Regulatory Diversity Project Board</p> <p>Diversity Coordinator</p> <p>HR Diversity Consultant</p>	<p>Aug 2011</p>
4	All	<p>Produce a plan based on the actions derived from the Equality Impact Assessments and monitor implementation</p> <p>Equality Impact Assessment actions are also included in the Scheme's 3 year action plan.</p>	<p>Equality Impact Assessment process is fully embedded within the organisation.</p>	<p>Diversity Coordinator</p> <p>HR Diversity Consultant</p>	<p>Sept 2011</p>

Annex 8
Single Equality Scheme Action Plan

No.	Equality duties/Key strands	Actions	Outcomes	Lead responsibility	Dates
5	All	Produce Annual Diversity Report.	Report back on our diversity progress and Equality Impact Assessments for the year. For internal and external publication.	Diversity Coordinator HR Diversity Consultant HR MI Associate	June 2011 2012
6	All	Monitor, report and publish annual figures of the diversity profile of our staff population, including the diversity breakdown by: 1. Applications for employment; 2. promotions; 3. training; 4. performance reviews (showing those who have suffered detriment or benefit as a result of a performance review); 5. grievances; 6. disciplinaries; and 7. voluntary and involuntary leavers.	Suitable management information will be collected to identify the extent to which staff diversity is embedded through the organisation and mitigating actions will be identified and put in place.	Team Leader – Performance (Strategy, Planning and Performance) HR MI Associate	June 2011 2012
7	All	(1) Create videos of EDC members and Diversity Champions talking about the importance of diversity and their role in delivering it – for communication via Connect+. (2) Use the FSA's existing '60 second interview' channel as a way of communicating the views of members of staff and of reinforcing our messages on diversity.	Videos and 60 second interviews are intended to bring a personal perspective to the work we do. The videos will be of EDC members. The interviews can be with anyone, at any level and in any role. Each interview will aim to bring to life the personal and professional experiences of the subject. It will be an opportunity for people to share their personal stories of what makes them proud, passionate or positive about diversity.	Internal Communications Team	Aug 2010

Corporate Diversity Objective 2

Diversity is owned throughout the business and all staff are aware of the FSA's equality and diversity duties and how they must behave as representatives of the FSA.

No.	Equality duties/Key strands	Actions	Outcomes	Lead responsibility	Dates
8	All	Produce draft Single Equality Scheme/Diversity Strategy and action plan.	This will be the centre of our diversity agenda and will set out our ambitions for the next three years, building and improving on our achievements so far.	Diversity and Equality Consultant	May 2010
9	All	Update staff on Equality, Diversity and Inclusion issues, projects, training and events through various internal channels, as appropriate and to be advised, including regular team meetings/cascades, presentations and on the FSA intranet, (Connect+).	Regular updates have also helped to maintain the profile and importance of equality and diversity issues. Staff understand how diversity contributes to the success of the organisation.	Internal Communication Manager Diversity and Equality Consultant Diversity Coordinator	Ongoing
10	All	Consult on the draft Single Equality scheme and action plan.	The views and responses of all our stakeholders will help us to improve, develop and update the Scheme.	Diversity and Equality Consultant	May 2010 – August 2010
11	All	Review the Scheme in light of the feedback received. Publish the Final Single Equality Scheme.	The Scheme incorporates input from consultation as appropriate is accessible internally and externally.	Diversity and Equality Consultant	Aug 2010 Sept 2010
12	All	Design and deliver equality and diversity training including e-learning training.	Staff will have access to relevant training options. Completed training and progress by Business Unit will be reported back to EDC.	Diversity and Equality Consultant Associate – Core Skills Delivery team, Organisational Development Diversity Coordinator HR Diversity Consultant	Oct 2010 – Ongoing

Annex 8
Single Equality Scheme Action Plan

No.	Equality duties/Key strands	Actions	Outcomes	Lead responsibility	Dates
13	All	Staff have a dedicated website for all diversity and equality information.	Staff knowledge on equality, diversity and inclusion has improved.	Internal Communications Team Diversity and Equality Consultant HR Diversity Consultant	Sept 2010 – Ongoing
14	All	Senior Leadership Team (SLT) champion diversity and challenge unacceptable behaviour.	Demonstrates dedication and commitment from the top and will help to create a cohesive workforce with reduced conflict and an organisation that people can respect.	SLT	Sept 2010 – Ongoing

Corporate Diversity Objective 3

Our offices, publications, documents and web publishing are accessible to all who need to access them.

No.	Equality duties/Key strands	Actions	Outcomes	Lead responsibility	Dates
15	Religion or Belief	<p>Promote facilities for prayer and quiet reflection and encourage people to make use of them.</p> <p>We offer staff a quiet space where anybody, irrespective of religious belief, can go and take time out.</p>	Staff are aware of this facility, know how to access it and are able to use it as required.	HR Diversity Consultant Operations Services	Ongoing
16	Disability	Improve training for managers with disabled staff on reasonable adjustments to meet current and future staff needs.	Current and prospective staff can be assured that their needs and changing needs will be met.	Associate – Core Skills Delivery team, Organisational Development HR Diversity Consultant	April 2011
17	Disability	Publicise our jobs in relevant Disability related media and work closely with Employers Forum on Disability for guidance.	We will successfully attract talented disabled people to work in our organisation.	HR Manager – Recruitment Team HR Diversity Consultant	April 2011
18	Disability	<p>Review information and communication accessibility standards for hardware systems, documentation and training material.</p> <p>Audit existing hardware, documentation and training materials against those standards and build into web programme design.</p> <p>Carry out a disability and web accessibility audit to identify and address any gaps in Business Units.</p> <p>Work towards becoming a 'Positive about Disability' employer and gaining the two tick symbol from Job centre plus.</p>	<p>The audit will cover website accessibility, communications, communication tools, facilities, provision of documents in accessible formats. The audit will help us to identify and address any gaps.</p> <p>We identify improvements needed to make our ICT systems more accessible and have procedures in place to meet our accessibility standards.</p> <p>We will successfully attract talented disabled people to work in our organisation.</p>	Diversity and Equality Consultant External Website Strategy team Diversity Coordinator HR Diversity Consultant	Sept 2010 July 2011 July 2011

Annex 8
Single Equality Scheme Action Plan

No.	Equality duties/Key strands	Actions	Outcomes	Lead responsibility	Dates
19	Race	Develop a policy for translation and interpretation of key external documents and implement.	We will be able to provide accessible information on request.	Diversity Coordinator HR Diversity Consultant	April 2011 (Policy) July 2011 (Implementation)
20	Disability	Produce a Communications Accessibility action plan from the results of the audit to measure our performance on disability in all aspects of our business. From this, update the action plan to address any gaps and barriers to improvement.	A disability action plan exists to remove all identified barriers and improve equality of opportunity for disabled staff, suppliers and users, and facilitate positive attitudes towards disability.	Diversity Coordinator HR Diversity Consultant Communications Manager Procurement Manager	Dec 2011

Corporate Diversity Objective 4

Our activities are informed by discussion with, and the involvement of, relevant stakeholders – to both meet our statutory obligations and to encourage and promote equality and diversity.

No.	Equality duties/Key strands	Actions	Outcomes	Lead responsibility	Dates
21	All	Continue to work with our key external stakeholders such as: Opportunity Now, Race for Opportunity, Employers Forum on Age, Employers Forum on Disability, Employers Forum on Religion and Belief and Stonewall to regularly review our equality and diversity performance.	External information and challenge will assist us to identify and take action to improve our performance.	Diversity Coordinator HR Diversity Consultant	Ongoing
22	All	Diversity networks for staff.	The use of networks is recognised as an important role in our diversity work. Membership of external networks can provide us with expert knowledge to help us become an employer of choice and a better regulator. Internal diversity groups give staff the opportunity to come together and share information on experiences and provide mutual support. They are a positive approach to raise diversity awareness provide a forum for constructive debate and perceived issues and potential actions that can be taken.	HR Diversity Consultant Diversity Champions All staff	Sept 2010

Corporate Diversity Objective 5

Our staff are drawn from the widest pool, better reflecting the diversity of the UK.

No.	Equality duties/Key strands	Actions	Outcomes	Lead responsibility	Dates
23	All	<p>Develop a consistent approach to targeting potential candidates through the use of recruitment campaigns, recruitment and specialist diversity agencies and relevant media to increase the number of applications from underrepresented groups.</p> <p>We review our recruitment processes to understand how we can achieve better conversion rates from applicants from underrepresented groups in to offers of employment.</p>	<p>Our recruitment campaigns reflect the work we are doing to improve representation within our workforce and effectively target underrepresented groups.</p> <p>Our workforce better represents the diversity of the UK.</p>	Recruitment Manager HR Diversity Consultant	June 2011
24	All	Run development sessions for staff advising them on what they need to do to operate at a higher job grade level.	Staff are more aware of what jobs at higher level require in terms of skills and experience, and are confident to apply for posts at higher job grade.	Associate – Core skills Delivery team. Organisational Development Recruitment Manager Diversity Coordinator HR Diversity Consultant	June 2011
25	Disability, Sexual orientation, Religion or Belief, Gender reassignment, Pregnancy and maternity	<p>Improve, through better internal promotion and understanding, the percentage of employees who record information about disability, religion or belief, gender reassignment, pregnancy and maternity, and sexual orientation, or state that they would prefer not to disclose to meet the following targets:</p> <p>65 per cent of employees have updated their record by December 2011, 80 per cent by March 2012.</p> <p>We need to build a reporting mechanism that allows us to gather information on gender reassignment for monitoring purposes.</p>	<p>Our employees understand why this information is important and how we use it.</p> <p>The numbers of people reporting disability has increased.</p> <p>Our employees are comfortable with disclosing their sexual orientation, religion or belief, and gender reassignment, for monitoring purposes.</p>	Diversity and Equality Consultant HR Diversity Consultant HR MI Associate	Dec 2011

Corporate Diversity Objective 6

All of our staff have equal opportunity in all areas of their employment and are treated fairly and with respect.

No.	Equality duties/Key strands	Actions	Outcomes	Lead responsibility	Dates
26	Gender	Continue to monitor the average pay of women and men to identify areas where there is a gender gap.	Information to develop training and development programmes which positively influence gender pay equality in the FSA.	Reward and Reporting Manager	Dec 2010
27	Gender	Implement training and communication programmes on equal pay to influence understanding and behaviours of decision-makers.	Managers comply with pay Review Guidelines and fair decisions are made.	Reward and Reporting Manager	February 2011
28	All	Monitor the volume and nature of incidents of harassment and bullying and analyse the data by each protected characteristic.	We effectively address reported harassment and bullying. Staff are confident to report harassment and bullying.	HR Diversity Consultant	April 2011
29	All	Training on bullying and harassment for staff.	To help raise awareness that FSA does not tolerate bullying and harassment.	Associate – Core Skills Delivery team, Organisational Development	April 2011
30	All Pregnancy and maternity	We will improve staff access to part-time and flexible working where appropriate but without any detriment to our business or functional needs.	Staff can arrange flexible working or part-time work in agreement with their line managers.	Recruitment Manager HR Diversity Consultant	Ongoing

Corporate Diversity Objective 7

Our regulatory activities such as policy making, supervision and enforcement take into account equality and diversity issues in a systematic way.

No.	Equality duties/Key strands	Actions	Outcomes	Lead responsibility	Dates
31	All	<p>(1) Conduct a systematic review of the regulatory diversity workstream and ensure that there is a suitable project plan for:</p> <p>(a) identifying and impact assessing existing higher risk policies, procedures programmes;</p> <p>(b) Impact assessing all relevant new policies, procedures and programmes in accordance with in the light of the FSA's new EIA process.</p> <p>(2) Provide an effective mechanism to transition from the project plan in (1) to business as usual.</p>	FSA discharges the equality obligations in relation to its regulatory activities in an effective manner.	Project Manager – Regulatory Diversity Project Board Diversity Coordinator	Dec 2010
32	All	Develop a set of Key performance Indicators (KPIs) to measure our progress towards delivering the outcomes set out in this plan.	We have the systems in place to measure our progress on a regular basis and report this information to our employees and external stakeholders with transparency.	Manager – Strategy Planning and Performance Diversity Coordinator HR Diversity Consultant	June 2011 – Ongoing
33	All	Provide guidance and training for supervisors to equip them to undertake their role in meeting our equalities duties and understand public sector duties.	This will assist Supervisors in making informed judgements on any actions carried out by them when supervising firms.	Training and Competency Manager Diversity Coordinator Supervisors General Counsel Division (GCD) Project Manager – Regulatory Diversity Project Board	

Corporate Diversity Objective 8

Our procurement practices will comply with EU and UK legislation and our suppliers will be expected to have due regard to equality matters when undertaking services or activities on our behalf.

No.	Equality duties/Key strands	Actions	Outcomes	Lead responsibility	Dates
34	All	Review the procurement strategy, financial policy and regulations to ensure that they meet our equalities duties. Ensure that our suppliers help us to meet our general duties through our procurement strategy and procedures.	We will be able to ensure through our procurement arrangements that all organisations we contract with meet our equalities duties.	Head of Procurement Diversity Coordinator	Aug 2011
35	All	Monitor the implementation of the procurement strategy and take action accordingly.	Ensure that we are meeting our objectives and taking action to address any implementation issues.	Head of Procurement	Aug 2011

Accessibility and contact details

Accessibility

We will ensure that our Single Equality Scheme and any supporting documents are accessible, by publishing them electronically in appropriate formats and will be made available on request in Braille, on tape or in large print. This document will also be available on request in community languages other than English.

For more information on this service, please contact:

Diversity@fsa.gov.uk

Feedback

We also welcome all comments and suggestions on the content of this Scheme. We want to know whether you think we have got it right. You can also provide your comments online by sending it to:

Diversity@fsa.gov.uk

Single Equality Scheme
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