

Reforming the Advocates' Graduated Fee Scheme Consultation

Equality Statement

Policy Summary

- 1. This Equalities Statement has been written to be read alongside the consultation response 'Reforming the Advocates' Graduated Fee Scheme: Government Response', to which this statement is an Annex.
- 2. As outlined in this document, we intend to proceed with the implementation of a revised Advocates' Graduated Fee Scheme (AGFS) which, in large part, is the scheme which we consulted upon. The main changes from the current scheme are:
 - a move away from Pages of Prosecution Evidence (PPE) and numbers of prosecution witnesses as 'proxies for complexity';
 - use of a detailed offence categorisation system as the main proxy for complexity, building in relativities between offences; and
 - paying for all standard appearances separately, rather than 'bundling' them into the trial fee.
- 3. The results of the consultation are set out in full in the Government's response. This includes details of the adjustments that we have made to our original proposals to address concerns raised by respondents.

Equality Duties

- 4. Section 149 of the Equality Act 2010 ('the 2010 Act') requires Ministers and the Department, when exercising their functions, to have 'due regard' to the need to:
 - Eliminate discrimination, harassment, victimisation and any other conduct prohibited by the 2010 Act;
 - Advance equality of opportunity between different groups (those who share a relevant protected characteristic and those who do not); and
 - Foster good relations between different groups (those who share a relevant protected characteristic and those who do not).
- 5. Paying 'due regard' needs to be considered against the nine 'protected characteristics' under the 2010 Act namely race, sex, disability, sexual orientation, religion and belief, age, marriage and civil partnership, gender reassignment, pregnancy and maternity.

Methodology to determine discrimination potential

- 6. Adhering to guidance published by the Equality and Human Rights Commission (EHRC), our approach to assessing the potential for particular disadvantage resulting from the reforms has been to identify the individuals whom the scheme would impact (the 'pool'), and then draw comparisons between the potential impacts of the reforms on those who share particular protected characteristics, with those who do not share those characteristics.
- 7. Guidance from the Equality and Human Rights Commission (EHRC) states that the pool to be considered at risk of potential indirect discrimination should be defined as those people who may be affected by the policy (adversely or otherwise) and that this pool should not be defined too widely. Consequently, rather than simply looking at 'the advocacy market' or 'barristers' we have attempted to identify sub groups, such as those who are self-employed or employed.

The Demographics of the Publicly Funded Criminal Advocacy Market

The Advocates

- 8. As of 2017, there were 16,435 barristers practicing in England and Wales, an increase of almost 10% from 2010¹. The Bar Standards Board (BSB) estimates that around 5,000, specialise in criminal law. However, it is difficult to establish reliable figures on the number of barristers by area of practice as it is not compulsory for barristers to disclose their area(s) of practice.
- 9. As of December 2017, there were 3,173 solicitor advocates with Higher Rights of Audience who solely practised in the criminal courts, and a further 1,432 practicing both civil and criminal advocacy². This provides a total of 4,605 solicitors with Higher Rights of Audience practising in criminal courts. Overall, therefore, it can be estimated that there are currently around 10,000 criminal advocates.
- 10. Within the Ministry of Justice, statistics are not available on the make-up of the advocacy market as a whole. However, an indication of the types of 'protected characteristics' of individuals working within in the market can be drawn from the statistics below. However, during the consultation process we sought the views of the profession, and this has informed this analysis.
- 11. Figures outlining the demographics of different branches of the legal profession demonstrate that barristers are more likely to be male and white than other branches of the profession, and the general population. There is a higher proportion of white, male barristers amongst the Queen's Counsel (QCs) compared to barristers overall (see Table 1). In 2017 there were a total of 1,703 QCs (both employed and self-employed)³.

¹ Bar Standards Board statistics available at: https://www.barstandardsboard.org.uk/media-centre/research-and-statistics/statistics/practising-barrister-statistics

statistics/statistics/practising-barrister-statistics

² Solicitors Regulation Authority statistics available at: http://www.sra.org.uk/sra/how-we-work/reports/data/higher_rights_of_audience.page.

³ Bar Standards Board statistics available at: https://www.barstandardsboard.org.uk/media-centre/research-and-statistics/statistics/queen's-counsel-statistics/

Table 1: Legal profession demographics for whole legal profession4 5 6 7

	Sex			Ethnicity		
	Male	Female	Unknown*	White	BAME	Unknown*
QCs (2017)	85%	15%	0%	89%	7%	4%
Barristers (2017)	63%	37%	0%	79%	13%	8%
Solicitors (2016)	50%	50%	0%	73%	14%	13%
Legal Executives (2015)	26%	74%	0%	86%	12%	1%

^{*&#}x27;Prefer not to say' responses, no data, or missing data

12. Barristers can be self-employed and linked to chambers ('Self-employed'), directly employed in organisations ('Employed'), or work independently ('Sole practitioners'). Table 2 shows that the majority of barristers are linked to chambers and relatively few are sole practitioners. There is a higher proportion of Black Asian and Minority Ethnic (BAME) sole practitioners compared to self-employed barristers, and the proportion of employed barristers that are female is higher than for the other groups.

Table 2: Demographics of barristers⁸ with different working arrangements

		Sex		Ethnicity			
	Number	Male	Female	Unknown*	White	BAME	Unknown*
Self-employed (2017)	13,076	65%	35%	0%	81%	12%	7%
Employed (2017)	2,920	53%	47%	0%	73%	14%	13%
Sole practitioners (2017)	585	63%	36%	1%	61%	28%	12%

^{*&#}x27;Prefer not to say' responses, no data, or missing data

13. Whilst similar working arrangements data for solicitors is unavailable, the litigator market is such that the majority of solicitors are employed within multi-practitioner firms rather than sole-practitioners. The litigator business model also allows for a number of partners within larger firms, who could be analogous to a 'self-employed' status. As there is a higher percentage of women working as solicitors than as barristers, a further group of employed female solicitors can also be identified.

The Providers

14. Legal aid services in England and Wales are delivered through various providers who are contracted by the LAA to do legal aid work. All criminal legal aid providers that employ advocates remunerated under the AGFS will be affected by these reforms. We have limited availability of information on this subset of legal providers. In January and February 2015, the LAA carried out an online survey to learn more about the providers

⁴ Bar Standards Board statistics available at: https://www.barstandardsboard.org.uk/media-centre/research-and-statistics/

⁵ Bar Standards Board statistics available at: https://www.barstandardsboard.org.uk/media-centre/research-and-statistics/statistics/practising-barrister-statistics/

⁶ Law Society Annual Statistics Report 2016. The solicitor statistics relate to solicitors on the roll, rather than solicitor advocates exclusively, and does not include registered European lawyers, registered foreign lawyers and exempt European lawyers.

⁷ Chartered Institute of Legal Executives (CILEx) statistics available at:

http://www.cilex.org.uk/about_cilex/who_we_are/equality_and_diversity/diversity-statistics/cilex-membership-diversity

⁸ Bar Standards Board statistics available at: https://www.barstandardsboard.org.uk/media-centre/research-and-statistics/statistics/practising-barrister-statistics/

doing legal aid work⁹. The survey was sent to all 2,262 legal aid providers (across the entire legal aid market) to complete between 19 January and 27 February 2015. 644 providers completed the survey, a response rate of 28%. The survey asks about the protected characteristics of those who have ownership or managerial control of the firm (2,057 people), not the total headcount of the firms who responded (13,578).

- 15. This limited response rate, and the fact the data spans the entire legal aid market, rather than just those employing advocates who undertake work under the AGFS, significantly limits our ability to draw meaningful conclusions.
- 16. The information gathered through this survey indicated that in the positions of managerial control, there was an over representation of males, when compared to the general population, as well as an over representation within the age group 40-59. However, the above considerations, and the fact there were a significant number of respondents for whom the information was not provided, make it difficult to draw significant conclusions. We consider that the nature of the reforms is such that they are unlikely to put people at a particular disadvantage, because of their race, sex, or age, as explained below.

The Clients

- 17. In recent years, eligibility for legal aid has been restricted for both civil and criminal matters. For criminal matters, whilst the eligibility criteria are far lower than other types of legally aided case, there is an interest of justice test when deciding whether an individual is eligible. However, when considering criminal legal aid clients at the Crown Court level, this interest of justice test is automatically passed.
- 18. From the table of diversity statistics below, we can see there is an over representation of males in the sample when compared to the general population. Further information on general population statistics are available in the Annex. Whilst the majority of clients for whom information on ethnicity is available are white, it is difficult to draw firm conclusions from the ethnicity data given the large proportion of clients whose ethnicity is unknown.
- 19. The percentage of those not considered disabled is significantly higher than those who either are considered disabled or where disability has not been established. This data has informed equalities considerations and any possible mitigations where it is considered that clients from groups who share particular protected characteristics are likely to be affected.

Table 3: Demographics of Criminal Legal Aid Clients in the Crown Court, 2016-17¹⁰

	Sex			Ethnici	ty		Disabilities	
Male	Female	Unknown	BAME	White	Unknown	Not considered Disabled	Considered Disabled	Unknown
85%	10%	5%	16%	62%	22%	74%	25%	1%

⁹ MOJ, Legal Aid Statistics in England and Wales: January to March 2015, available at: https://www.gov.uk/government/statistics/legal-aid-statistics-january-to-march-2015

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/623032/legal-aid-statistics-client-diversity-data-2016-17.csv

¹⁰ MoJ, Legal Aid Agency figures available at:

- 20. We included questions within the original consultation to better understand the potential effect of these policies on individuals by reference to their particular protected characteristics. We have used the responses received to identify further possible discrimination risks.
- 21. In respect of individual contributions to legal aid costs, as the reforms redistribute some money around the scheme, it may be that legal aid costs for particular offences rise, when compared to current levels. Costs for other offences may fall. As such, it may be that particular groups of people will be required to make higher contributions towards their legal aid costs than under the current Crown Court fee schemes. Others will be required to contribute less. However, since the contribution levels are subject to meanstesting and are intended to recuperate a proportion of the cost of providing legal aid services, we consider any differences in impact to be proportionate to the legitimate aim of paying fairly for work done. However, we will retain a cap to the maximum income contribution individuals can be asked to contribute for their legal aid costs. This will assist in mitigating any rises in legal aid costs to individuals as a part of this reform.

Equality Considerations - Impacts and Mitigations

22. While specific mitigations accompanied our original consultation proposals, equalities considerations have informed the revised scheme design set out in the consultation response. Our original consultation document asked several questions about the equalities impacts of our proposals. In response to the question, 'Do you agree that we have correctly identified the range of impacts of the proposals as currently drafted in this consultation paper?', around 16% of respondents felt that we had not properly considered the impact of the proposals on junior advocates. In addition, some of these respondents felt that specific proposals, such as the reduction in a junior's standard appearance fee to £60, would disproportionately affect women and BAME advocates. We have heeded these concerns by making a number of changes to our original proposals. These are summarised below, alongside our existing mitigations, and set out in full in the consultation response.

Eliminating unlawful discrimination

Direct discrimination

23. Our initial assessment is that the reforms are not directly discriminatory within the meaning of the 2010 Act. The scheme will apply to the whole of the criminal legal aid advocacy market. As there are no provisions that specifically impact on a protected group, there is no direct discrimination within the meaning of the 2010 Act.

Indirect discrimination

24. The key principle underpinning the reforms is paying fairly for work done. This has resulted in paying more for the more complex cases. As the most complex cases are predominantly conducted by QCs, this means that their receipts from AGFS are predicted to rise by around 11%. As can be seen from the diversity data, advocates with certain protected characteristics are under-represented in the QC group, either compared to the wider profession or the general population. This group tends to be older, and predominantly male.

- 25. The more junior section of the profession contains proportionately more members with specific protected characteristics with proportionately more BAME and female members for example and this group is also likely to gain financially from the reforms. In addition, some of the under-representation at the QC level may be reduced as the junior members progress through their careers.
- 26. From data available within the Impact Assessment, the analysis conducted suggests that any impacts on specific groups are **not** statistically significant. Overall, there is no evidence that the scheme is favouring some groups over others to any substantial degree.
- 27. Whilst recognising the factors above, and acknowledging the limitations of the data available to us, we do not believe that our scheme discriminates on the basis of any of the nine protected characteristics. Where impacts are uneven, we believe that our reforms are a proportionate approach to achieving our legitimate aims set out in the original consultation document and the Government's response, of a reformed and modernised AGFS that pays for work done and supports the modernised Criminal Justice System.
- 28. We do not consider that the changes to the AGFS will result in any discrimination in relation to disability for either clients or defence advocates. As mentioned, the reforms are considered to be a proportionate means to achieving our legitimate aim of modernising the AGFS to better reflect payment for work done and fairly remunerate for the more complex cases. We will continue to make reasonable adjustments for criminal legal aid clients with disabilities and also criminal defence advocates with disabilities.
- 29. We have used the available data and evidence sources we consider to be most relevant and reliable. Whilst we do not have data on certain protected characteristics such as sexual orientation, religion or marital status, we consider that the nature of the reforms is such that they are unlikely to put people by reference to these particular protected characteristics at a particular disadvantage. However, even were such a disadvantage to materialise or there were to be a disproportionate effect on a particular group, our conclusion remains the same, that this would be justified as a proportionate means to the legitimate aim of a reformed AGFS that remunerates fairly for work done and supports the modernised Criminal Justice System.

Mitigation

- 30. The junior end of the advocacy profession tend to do many of the ancillary hearings, particularly in more complex cases. To protect this group, and mitigate against any age discrimination, a key feature of the new scheme is to 'unbundle' these ancillary hearings from the basic fee. This will have the effect of ensuring the junior advocacy profession has certainty as to their fee for these hearings and will mitigate against any potential age discrimination in other aspects of the scheme. In addition, the reforms dedicate more money to ineffective trials, which currently impact on the junior end of the advocacy profession more so than others. This will provide greater protection for junior advocates in particular.
- **31.** Following consultation, we have also adjusted our original proposals to address respondents' concerns around the potential impact of the reforms on junior advocates and women and BAME advocates. This includes, for example, the decision to increase standard appearance fees, to pay separately for all standard appearances, and the

movement "upward" of prominent cases out of the standard category. Further details of these amendments are set out in the full consultation response.

Discrimination arising from disability and duty to make reasonable adjustments

32. There is a lack of available data concerning disability in the advocacy market, and amongst providers. We consider that the nature of the reforms is such that they are unlikely to put people with this specific protected characteristic at a particular disadvantage. We consider that any uneven impact these reforms may have would be proportionate to our legitimate aim of paying fairly for work done but we will consider any evidence of potential discriminatory impact in light of the responses to the consultation.

Advance Equality of Opportunity

- 33. Consideration has been given to how the reforms impact on the duty to advance equality of opportunity by meeting the needs of advocates who share a particular characteristic, where those needs are different from the needs of those who do not share that particular characteristic. Whilst the legal market's overall BAME statistics are broadly representative of the national demographics, a lawyer is more likely to be a white male. BAME representation falls dramatically when looking at the statistics for more senior advocates, making a senior advocate less likely to be BAME. However, both solicitors and barristers are underrepresented by women compared to the population as a whole, and this trend is more pronounced among QCs.
- 34. Although the main aim of the reforms is to refocus the scheme to pay for time in court, analysis has also shown that the scheme better remunerates women of all levels of seniority. This has the potential not only to encourage the retention of female advocates, but could also promote diversity within the profession as a whole.

Fostering good relations

35. Consideration has been given to how the reforms impact on the duty to foster good relations, and we do not consider that there is anything within the scheme that will have a negative impact regarding this objective.

Types of impact

Impact on individuals

- 36. The individuals most likely to be impacted by these reforms are advocates who are paid under the AGFS. These individuals will be affected by changing levels of payment between different offences and case outcomes across the scheme. In addition to this, clients may also be affected by changing levels of contributions paid towards legal aid costs as a result of differing costs of cases under the new scheme.
- 37. We do not believe that our scheme discriminates against individuals because of their protected characteristics. Where impacts are uneven, we believe that our reforms are a proportionate approach to achieving our legitimate aims set out in the consultation document, of a reformed and modernised AGFS that pays for work done and supports the modernised Criminal Justice System.

Impact on providers

38. All criminal legal aid providers that employ advocates remunerated under the AGFS will be affected by the reforms, but they do not directly discriminate against a group sharing

- a protected characteristic, since the revised scheme will apply to all providers of criminal legal aid advocacy services, irrespective of protected characteristics. However, if a group sharing a protected characteristic is over-represented amongst affected providers compared with the general population, then there is the possibility for the reforms to disproportionately impact that group.
- 39. While all providers would be treated equally, the reforms may have a disproportionate impact on providers with certain protected characteristics (e.g. because of their ethnicity or sex). Should any impact materialise as a result of these reforms, we consider any such impact to be justified for the reasons set out above.

Annex: Legal Aid Agency Client and provider characteristics

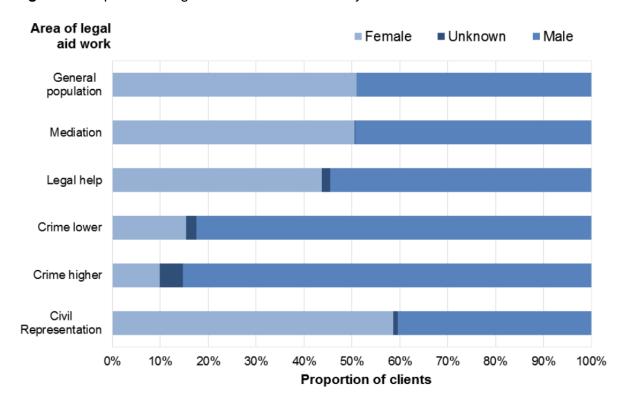
Client characteristics

The charts below show the breakdown of client characteristics over the different areas of legal aid compared with the national breakdown from the latest population estimates from the Office for National Statistics. The relevant section for these purposes in each of the following sections is "Crime Higher" (i.e. Crown Court).

Sex

The profile of criminal legal aid clients differs from the national profile with a much greater proportion of male clients (Figure 1). This reflects the picture across the criminal justice system 11 and has been consistent throughout all the years for which we have data.



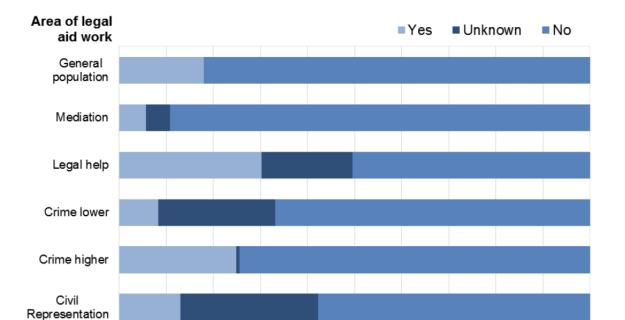


¹¹ MOJ, Criminal Justice statistics quarterly: https://www.gov.uk/government/organisations/ministry-of-justice/series/criminal-justice-statistics

¹² MOJ, Legal Aid Statistics in England and Wales: January to March 2017, available at: https://www.gov.uk/government/statistics/legal-aid-statistics-january-to-march-2017

Disability

Figure 2 shows the proportion of legal aid clients who consider themselves to have a disability. It is difficult to draw firm conclusions for most categories of legal aid because of the relatively high proportion for which disability is unknown, but this is less significant for Crime Higher. The overall picture of client disability status changed little between 2015-16 and 2016-17.



40%

50%

Proportion of clients

60%

70%

80%

90%

100%

Figure 2: Proportion of legal aid client in 2016-17 by disability status¹³

10%

0%

20%

30%

Ethnicity

Figure 3 compares the proportion of legal aid clients who are from black and minority ethnic (BAME) origins with the general population. It is difficult to draw firm conclusions from this comparison because of the relatively high proportion for which ethnicity is unknown. The overall ethnicity profile of legal aid clients in 2016-17 was similar to that in 2015-16.

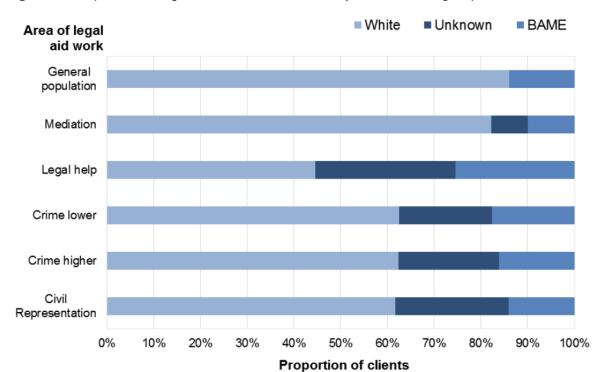


Figure 3: Proportion of legal aid clients in 2016-17 by broad ethnic group¹⁴

¹⁴ MOJ, Legal Aid Statistics in England and Wales: January to March 2017, available at: https://www.gov.uk/government/statistics/legal-aid-statistics-january-to-march-2017

Age

As Figure 4 shows, a much greater proportion of clients of criminal legal aid are from young adult age groups (aged 19-35) than in the general population, which reflects the pattern across the criminal justice system as a whole. The overall age profile of clients in 2016-17 was similar to that in 2015-16.

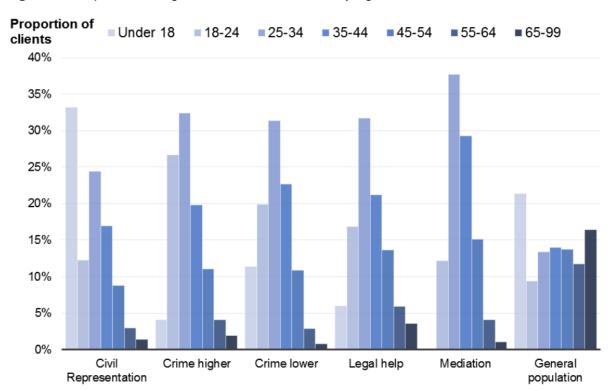


Figure 4: Proportion of legal aid clients in 2016-17 by age band¹⁵

Note: Age data for crime lower is taken from a different computer system to the other characteristics and only includes magistrates' court work.

¹⁵ MOJ, Legal Aid Statistics in England and Wales: January to March 2017, available at: https://www.gov.uk/government/statistics/legal-aid-statistics-january-to-march-2017

Provider characteristics

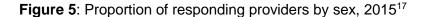
Legal aid services in England and Wales are delivered through various providers who are contracted by the LAA to do legal aid work. In January and February 2015, the LAA carried out an online survey to learn more about the providers doing legal aid work.

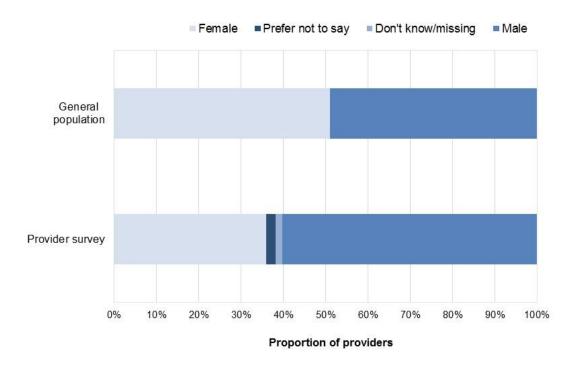
The survey was sent to all 2,262 legal aid providers to complete between 19 January and 27 February 2015. 644 providers completed the survey, a response rate of 28%, and this response rate should be taken into account when interpreting all results.

The survey asks about the protected characteristics of those who have ownership or managerial control of the firm (2,057 people), not the total headcount of the firms who responded (13,578). Here, the results for this group are presented alongside figures for the general population of England and Wales from the 2011 census for comparison.

Sex

60% of respondents were male, compared to 49% among the general population (Figure 47). This may partly reflect the fact that employment rates are higher for men than women, especially over the age of 22¹⁶.





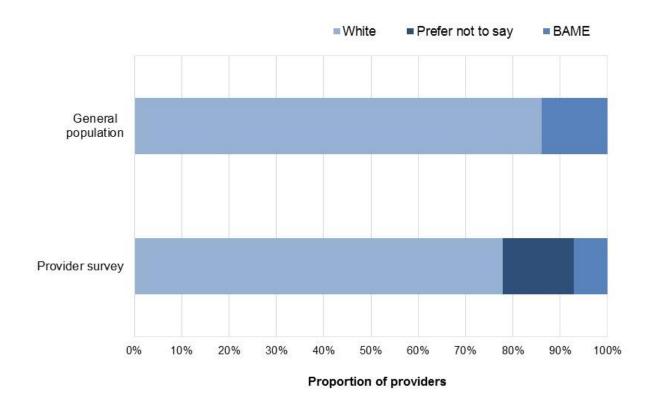
¹⁶ Women in the labour market, ONS, http://www.ons.gov.uk/ons/rel/lmac/women-in-the-labour-market/2013/rpt---women-in-the-labour-market.html

¹⁷ MOJ, Legal Aid Statistics in England and Wales: January to March 2015, available at: https://www.gov.uk/government/statistics/legal-aid-statistics-january-to-march-2015

Ethnicity

The proportion of respondents who reported being of BAME backgrounds is broadly similar to the general population, at 15%, but 7% of respondents preferred not to answer this question (figure 48).

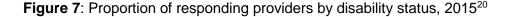
Figure 6: Proportion of responding providers by broad ethnic group, 2015¹⁸

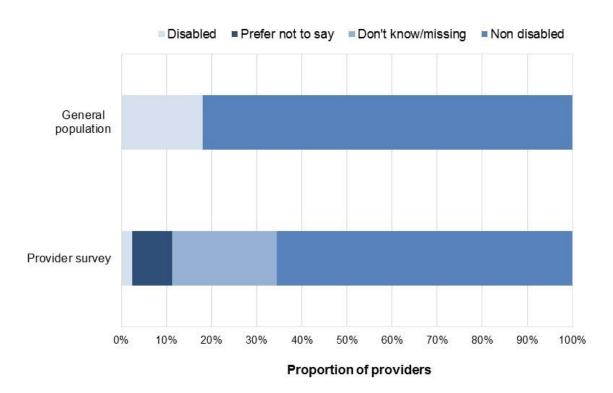


 $^{^{18}}$ MOJ, Legal Aid Statistics in England and Wales: January to March 2015, available at: $\underline{\text{https://www.gov.uk/government/statistics/legal-aid-statistics-january-to-march-2015}}$

Disability

A large proportion (32%) of respondents did not declare their disability status (either prefer not to say or don't know/missing), so the results are difficult to interpret (Figure 49). Only 2% of respondents considered themselves to have a disability. This compares to 18% of the general population of England and Wales who stated they had a disability in the 2011 census. The labour market statistics show that disabled people are far less likely to be in employment than non-disabled people. The UK employment rate of working age disabled people is 52% compared to 78% of non-disabled people¹⁹.





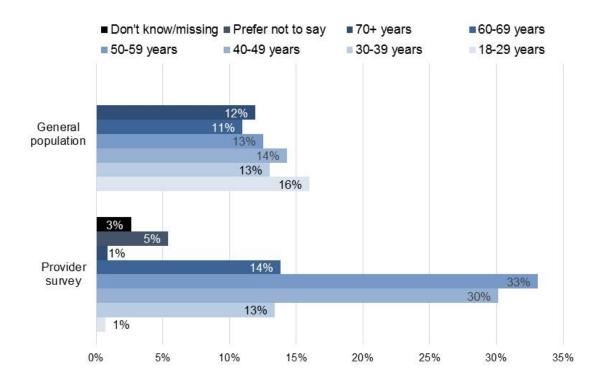
 $^{^{19} \ \}text{Figures for Jan-Mar 2013} \ \underline{\text{http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcm\%3A77-301417}, \ \text{table} \ A08$

²⁰ MOJ, Legal Aid Statistics in England and Wales: January to March 2015, available at: https://www.gov.uk/government/statistics/legal-aid-statistics-january-to-march-2015

Age

Looking at those aged over 18, the majority of respondents to the survey were aged between 40 and 59 (63%), this is much higher than the general population where around a quarter of over 18s are in this age group (Figure 50).





 $^{^{21}}$ MOJ, Legal Aid Statistics in England and Wales: January to March 2015, available at: $\underline{\text{https://www.gov.uk/government/statistics/legal-aid-statistics-january-to-march-2015}}$

Religion

As figure 9 shows, a large proportion (43%) of respondents did not declare their religion (either prefer not to say or don't know/missing), which limits any interpretation of the result. However, the two largest groups, Christian (30%) and not religious (18%) were the same as those for the general population.

Figure 9: Proportion of responding providers by religion²²

	Provider	General
Religion	survey	population
Christian	30%	59%
Not Religious	18%	25%
Muslim	3%	5%
Jewish	2%	1%
Hindu	1%	2%
Sikh	1%	1%
Any Other Religious Beliefs	1%	<1%
Buddhist	<1%	<1%
Prefer Not To Say	18%	7%
Don't Know/Missing	25%	0%

Sexual Orientation

Figure 10 shows that nearly a quarter of respondents did not declare their sexual orientation (either prefer not to say or don't know/missing), which limits any interpretation of the result. Figures on sexual orientation for the general population are not available from the census data, however, other studies have estimated that about 1.5% of the general population are gay, lesbian or bisexual²³ this is similar to the result of the survey, where about 2% of respondents said they were gay, lesbian or bisexual.

Figure 10: Proportion of responding providers by sexual orientation²⁴

	Provider
Sexual orientation	survey
Hetrosexual/Straight	73%
Gay Man	1%
Gay Woman/Lesbian	<1%
Bisexual	<1%
Other	<1%
Prefer Not To Say	16%
Don't Know/Missing	8%

²² MOJ, Legal Aid Statistics in England and Wales: January to March 2015, available at:

https://www.gov.uk/government/statistics/legal-aid-statistics-january-to-march-2015

23 Figures are from the integrated household survey https://www.ons.gov.uk/ons/rel/integrated-household-survey/integrated-household-survey/april-2011-to-march-2012/stb-integrated-household-survey-april-2011-to-march-2012.html

MOJ, Legal Aid Statistics in England and Wales: January to March 2015, available at: https://www.gov.uk/government/statistics/legal-aid-statistics-january-to-march-2015