

Board or name of committee	RENCO
Date of meeting	22 nd June 2020
Agenda item	04
Subject	Diversity & Inclusion strategy
Executive summary	A new 3-year D&I strategy has been developed. This paper gives the background to its development, and offers RENCO members the opportunity to comment ahead of its launch in July.
Analytical Assurance	AA plan <input type="checkbox"/> AA statement <input type="checkbox"/> Applicable but not completed <input type="checkbox"/> N/A <input checked="" type="checkbox"/>
For	Review and comment
Author(s)	Jo Napper
Presenter(s)	Freya Guinness / Jo Napper
Sponsor	Freya Guinness
Status	<div style="background-color: black; width: 100px; height: 15px;"></div>
Last reviewed	n/a

A. Background

1. ORR has a positive working environment and, in workshops carried out in 2018 on 'The way we work together', people told us that they valued ORR as a place to work where they could 'make a difference'. Staff particularly value their colleagues and the strong working relationships that are developed across the organisation.
2. Although we have not historically had a strategy, we have been able to deliver a range of diversity initiatives including:
 - ORR D&I statement of intent
 - Name-blind recruitment
 - Trained Mental Health First aiders
 - Director level Health and wellbeing Champion
 - A development programme for under-represented groups
 - Workplace adjustment passport
 - Disability Confident Employer Level 2
 - Anti-bullying and harassment volunteer network
 - A colleague-led Diversity and Inclusion Network
3. However, from a diversity and inclusion perspective, there were some areas that indicated scope for improvement when we were looking at the project & some high level metrics, e.g. :
 - Improving diversity representation across ORR and senior grades.
 - Overall, 60% of colleagues at ORR are male, whilst 40% are female.
 - The majority of colleagues are white (69%), whilst 17% are non-white, and 14% undeclared.
 - Over 68% of colleague are aged 40 years and above; and
 - Our gender pay gap is wider than we want it to be.
4. There is also the civil service agenda on diversity and inclusion, which is picking up pace and breadth and which is setting higher expectations for individual government departments and other regulators.
5. We therefore wanted to inject some focus into our approach to diversity and inclusion which is appropriate for our size and resource levels, but is also appropriately ambitious and relevant to emerging initiatives across the civil service.
6. After an Invitation to Tender was submitted, and a public procurement exercise was carried out to find a D&I consultancy that could partner with us, RedQuadrant (RQ) was selected, and began work in November 2019.

B. The project approach

7. The aim of the project was to be as inclusive as possible and to keep colleagues updated on the project's progress. There have been regular updates on the progress at Staff Council, leadership forums and at the All Staff Briefings.
8. The phases of the project are outlined in the annex and covered
 - i. Project initiation and planning
 - ii. Desktop research and diagnosis
 - iii. Executive and stakeholder interviews
 - iv. Testing findings with D&I team
 - v. Organisational culture focus groups
 - vi. Analysis and draft report production
 - vii. Deliberative workshop
 - viii. Finalise and present
9. The project progress was reviewed regularly by a project board and overseen by the SROs – Juliet Lazarus and Freya Guinness – and co-ordinated by the HR Manager, Abigail Ojo.
10. ORR's Diversity Network was also given the opportunity to input and comment on the work.

C. Developing the strategy

11. RQ produced a detailed findings report that set out the evidence behind their conclusions and that formed the basis for the strategy recommendations. This has established a good reference point for when work on implementing the strategy is carried out and data needs to be evaluated and reviewed.
12. RQ produced a first strategy draft which was shared at a deliberative workshop attended by the project board, CEO and some Directors. This was a useful opportunity to talk through the initial proposals and give some direction on where the priorities could be placed.
13. After RQ had revised the draft document, the project board went through this in some detail over a series of meetings in order to shape it to fit the culture and priorities of ORR, while keeping it as a challenging strategy.

14. The revised strategy was reviewed by ExCo on 26th May. At this meeting it was agreed that a resource should be recruited for the next two years to lead the implementation of this strategy.

15. The Diversity and Inclusion strategy is attached to this paper at Annex B. **RENCO is invited to make comments on this.**

D. Next steps

16. After incorporating any suggestions from RENCO and the Board, the new strategy will be communicated to all colleagues.

17. A recruitment campaign to identify and appoint a resource to help take the strategy forward will be run, with the aim of having somebody in place by September.

18. One of the first activities will be to identify specific aspirations / targets that ORR would want to consider as strategy goals, and the associated timelines. These would form part of a plan that the lead resource would put together.

Annex A – Project approach

Phase 1: Project initiation and planning
Project initiation meeting <i>DELIVERABLE: Updated project plan</i> <i>DELIVERABLE: Data requests</i> <i>DELIVERABLE: Agreed interviewee list and focus group dates</i>
Phase 2: Desktop research and diagnosis
Document review and benchmarking Data collection and analysis <i>DELIVERABLE: Research, diagnostics and benchmarking report</i> <i>DELIVERABLE: Headcount data analysis</i>
Phase 3: Executive and stakeholder interviews
Develop interview guides; arrange interviews Interviews; analysis of interviews <i>DELIVERABLE: Interview question guides</i> <i>DELIVERABLE: Interview analysis</i>
Phase 4: Testing findings with D&I team
Workshop planning; Workshop with D&I team <i>DELIVERABLE: Workshop feedback recorded</i>
Phase 5: 5. Organisational culture focus groups
4 focus groups planning , invitation and selection, delivery Analysis of focus group outputs <i>DELIVERABLE: Focus groups analysis</i>
Phase 6: Analysis and draft report production
Draft report and strategy development <i>DELIVERABLE: Draft report and strategy</i>
Phase 7: Deliberative workshop
Workshop planning & delivery <i>DELIVERABLE: Workshop complete</i>
Phase 8: Finalise and present
Finalise report and strategy Presentations <i>DELIVERABLE: Final report and strategy</i>

Annex B

The Office of Rail and Road

Diversity and Inclusion Strategy 2020-2023

DRAFT: Version 7

Contents

Executive Summary..... **Error! Bookmark not defined.**

1. Improving diversity and representation in our workforce 5

2. Improving inclusion in ORR 6

3. Everyone engaged in diversity and inclusion..... 7

4. Improving governance and accountability 8

Recommendations/Action plan 9

Executive Summary

We believe achieving excellence involves becoming a more diverse and inclusive organisation which attracts and retains the best people to work for us.

Having a workforce, where everyone's contribution is valued and where everyone can flourish, enables us to have richer conversations, be more innovative and better able to respond to the full range of user needs in our work as a regulator. It also helps us to stay relevant and resilient to changing needs of all our stakeholders.

ORR protects the interests of current and future rail and road users, in the public interest, overseeing the safety, value and performance of the railways and monitoring the performance and efficiency of England's strategic road network. We can do this best by having a wide range of experience within our workforce.

Our 3 year diversity and inclusion strategy

This diversity and inclusion strategy sets out how we plan to further integrate diversity and inclusion into our organisational culture in order to gain maximum advantage from the benefits of having a diverse and inclusive organisation.

For us, diversity means we have a mix of people that represent our communities, each person bringing their unique set of skills, talent and experiences to help us to achieve excellence.

We want to widen representation across all tiers within ORR. We want to continue to attract more diverse talent into the organisation and actively seek out people with potential within the organisation and develop their skills and expertise to create a talent pool from which we can build greater diversity in our future leaders.

For us, inclusion means everyone having a sense of belonging and ability to contribute, as well as being appreciated for the uniqueness of what they bring to enhance the performance of our organisation.

Being an inclusive organisation means demonstrating the behaviours that enable inclusion and reducing behaviours that undermine it. We wish to create a climate where diversity of thought and ideas is welcomed and valued, where we use employees' knowledge and expertise to maximum advantage.

We developed this strategy by asking a wide range of employees for their views, consulting with experts in the field and reviewing our existing policies. Through this we have identified that the focus of our initial work will be women and black, Asian and minority ethnic (BAME) employees who are underrepresented at senior levels. Alongside this we will continue to work with the Diversity Network to support diversity across all characteristics.

Full details of the evidence for this strategy and recommendations can be found in an associated findings report. We want this strategy to be effective and have included success measures so that we can track our progress year on year.

Progress we've made so far

This strategy will build on our existing activities and initiatives where we have:

- reviewed job descriptions to encourage a broader range of people to apply
- regularly used blind recruitment for roles across ORR
- taken action to enable more women to move into inspector roles.
- embedded a genuine flexible working approach
- identified and trained Anti-Bullying and Harassment volunteers and this has had a positive impact
- achieved level 2 in the Disability Confidence Scheme
- initiated a programme around wellbeing, enabling people to talk more about mental health
- trained all managers in leading inclusive teams
- regularly garnered the views of a range of employees through our employee conference, focus groups, our diversity network and individual communications and interviews.
- a diversity network initiated by our employees

Our new strategy is set around four objectives:

- 1. Improving diversity and representation in our workforce**
- 2. Improving inclusion in ORR**
- 3. Everyone being engaged in diversity and inclusion**
- 4. Improving governance and accountability**

The following sections outline further details on what each objective covers and the actions recommended.

1. Improve diversity and representation in our workforce

Maximising talent is key to our business and to improving the diversity of our workforce. We believe in the business benefit of and moral imperative for D&I and have seen some progress. This strategy aims to accelerate that change.

We want everybody to feel and see that there are opportunities for progression and a career to pursue in ORR and also across the Civil Service. Women and BAME employees are currently under-represented at senior management levels, including at Board level. Our aim is to address this and to focus on how we provide employees with opportunities and support to progress within the organisation. We have already had some success in increasing the diversity of our workforce through recruitment but the measure of our success is in how we retain these employees and enable them to progress.

We will make better use of schemes such as the Positive Action Pathways (PAP), and other development initiatives such as mentoring and or sponsorships to create opportunities for growth and advancement. We aim to build confidence amongst managers and leaders to encourage greater participation into these and other development opportunities. Furthermore, we want all our managers to feel confident in developing inclusive practices and to help us realise our ambitions, especially for diversity at the senior and top levels.

Key actions

- Identify aspirations, with timescales, for women and BAME representation including at the most senior levels of the organisation
- Continue and extend reviewing job criteria
- Use diverse recruitment panels
- Improve recruitment training, including removing bias (conscious or unconscious)
- Develop a programme of training options for all levels of leaders and managers
- Provide a framework for interviewing for recruiting managers
- Encourage HR scrutiny of recruitment interventions
- Review internal promotion processes to better support progression of under-represented groups
- Promote development and project opportunities for under-represented groups;

Success measures

- Greater diversity and evidence of increased representation of BAME employees and women: employee make-up is more representative of regional and national demographics at all levels of the organisation
- No unexplained disparity by group characteristics at each stage of recruitment and employee lifecycle
- Number of successful entries to development schemes increased
- Increased BAME representation at senior levels (Grade B, A and SCS)

2. Improve inclusion in ORR

Improving inclusion is an important business priority for us. We want everyone to take responsibility to ensure all employees are treated with respect in the workplace. We want conversations and considerations around diversity and inclusion to be part of the way we work, not an additional element to consider. We want senior managers to recognise barriers faced by particular groups and take actions to address them.

We want employees to feel confident to address inappropriate behaviour and report cases, without fear or judgement. We have identified and trained Anti-Bullying and Harassment volunteers; we want to rebrand and relaunch their role.

Our flexible working policy enables us to tap into wider talent pools and therefore help us be a better regulator. The opportunities for part-time and flexible working are greatly valued by employees. There is consistency of support of this new way of working. We want to make sure that wherever we can we offer flexible working, recognising that sometimes this may not be possible; however employees must feel that it is fairly and equitably applied.

In order to make informed decisions, we need to understand the make up of the organisation. To achieve this, we will need to improve our diversity data declaration by actively encouraging employees to participate. We recognise the challenges of non-declaration of visible and invisible protected characteristics and the impact of this in developing and monitoring effective interventions. We aim to gain more confidence from employees by implementing this strategy and thereby encouraging more declarations as a result.

Key actions

- Review ORR values to include more explicitly inclusive and respectful behaviours
- Continue to review and communicate the inclusion elements of the employee survey
- Encourage managers to ensure part-time and flexible working employees have similar opportunities as full time employees to showcase their talent
- Encourage the use of the new Dispute Resolution process and ensure appropriate actions are taken
- Communicate to all employees around declaration of protected characteristics, framing it not as 'personal information' but to ensure there is no discrimination against people for reasons of these protected characteristics
- Review progress and lessons learned with Anti-Bullying and Harassment volunteers
- Establish a programme of training to increase awareness of diversity and inclusion best practice.

Success measures

- Managers confidently demonstrate:
 - behaviours that are inclusive and act as a role model
 - better understanding of the impact of inappropriate behaviour and exclusion on all of the people they manage
 - courage, empathy and fairness in the way they manage contentious issues raised by individuals in their teams
- Using the People survey, we can demonstrate improvement in the relevant questions:
 - no significant disparity in experience of inclusion at work between people from different groups

- all employees feel valued, that the workplace is more inclusive and that they experience, respect and dignity at work
- employees are more confident that managers will act on concerns they raise about offensive comments and /or inappropriate behaviour at work
- Exit interviews do not indicate a lack of inclusion and respect as a reason for leaving
- Levels of declaration of protected characteristics increase

3. Everyone is engaged in diversity and inclusion

We want to motivate the whole organisation to build commitment and ownership so that improving our diversity and inclusion is seen as a business imperative and not just as an HR or diversity network issue.

We want to tap into the enthusiasm of employees who are keen to contribute to making a difference. We will create a structured activity plan and look for ways to encourage employees to participate in specific activities, with clear briefs, support and recognition for the effort, skills and energy they bring to this work.

We want to support, expand and work in partnership with our existing Diversity network. We will further develop our internal expertise on D&I through the links we have established and membership with external organisations such as Disability Employers Forum, Stonewall and Business in the Community. We will use and leverage resources within the Civil Service.

We want to take an inclusive leadership approach where leaders and managers actively own and drive the implementation of this strategy, role model the behaviours that deliver an inclusive workplace and feel confident in embedding these objectives into our business.

Leaders and managers will be responsible for creating an environment where our people can feel safe to contribute different ideas or challenge the way things are done. We will support leaders to develop and enhance the necessary behaviours through coaching, training or creating facilitated conversations and thinking space.

Key actions

- Expand our D&I capability by senior leaders and managers taking responsibility to develop, resource and support this strategy
- Dedicate more resources to harness the enthusiasm of employees to implement to implement this strategy
- Retain the Diversity network as a employee-led group. Increase their visibility and through this and other targeted activity, encourage more people to join and develop more links with external networks
- Set out clear expectations for managers around D&I responsibilities
- Review the impact of line managers' training on leading inclusive teams

Success measures

- Increased D&I activities in the workplace.
- Leaders and managers are more confident in demonstrating inclusive behaviours and dealing with challenging conversations – measured by satisfaction scores relating to inclusion and challenge.
- Diversity network is more visible, has increased in size and has more diverse membership.

- Increased confidence in the role of managers in supporting D&I and on the impact of D&I training

4. Improving governance and accountability

Our CEO, ORR Board and the Executive Committee (ExCo) give their full commitment to the D&I strategy.

We intend to appoint a D&I champion at SCS level to support the CEO and ExCo. The SCS D&I champion will support our Diversity Network and help us develop relevant initiatives over time to ensure that we make good progress.

We will ensure there is a representative on ORR's Board who brings D&I into decision making.

We will review our Equality policy and make sure that the responsibilities of the leaders in the organisation are clearly set out.

Regular analysis and interrogation of the diversity data will inform interventions, creating a continuous cycle of review and learning. We want our intervention to be data based, in a way that will create a continuous cycle of learning.

Key actions

- Appoint a D&I champion at SCS level
- Review progress against D&I recommendations and action plan annually
- Identify gaps for employee lifecycle data by protected characteristics
- Determine key dashboard indicators with numerical objectives that demonstrate D&I progress.
- Managers identify their own D&I objectives in their performance and development conversations
- Engage RENCO and the Board in D&I

Success measures

- Visible leadership and clear accountability for diversity and inclusion including a D&I champion at Senior Civil Service level and board level
- Robust employee lifecycle data to inform D&I strategy and interventions with clear mechanisms for interrogation and review
- Our CEO, ORR Board and the Executive Committee are seen as advocates for D&I change

Recommendations/Action plan

1. Improve Diversity and representative workforce

Year 1		
No.	Category	Recommendation
1.1	Representation	<ul style="list-style-type: none"> Identify aspirations, with timescales, for women and BAME representation taking into account what the wider Civil Service, similar organisations and other regulators have as objectives
1.2	Recruitment	<ul style="list-style-type: none"> Review job criteria to include only job requirements – in particular review where women and BAME are under-represented Share internal good practice examples around increasing representation
1.3	Recruitment	<ul style="list-style-type: none"> Ensure recruitment panels are diverse, including having BAME/disabled representation on panels for SCS roles Take proactive steps to increase the diversity of candidate pool using the text in the advertisement, and targeting relevant diverse websites/social media Use search agencies where appropriate e.g. for specialist roles where having a more diverse pool of candidates may need support
1.4	Progression	<p>Managers to encourage development and project opportunities for BAME, women and other under-represented groups:</p> <ul style="list-style-type: none"> Initiate ORR leaders sponsorship scheme including mentoring Signpost to existing schemes such as PAP, Future Leaders Scheme and Senior Leaders Scheme Hold networking events to raise profile and build relationships and rapport with senior managers
1.5	Representation	<ul style="list-style-type: none"> Have an ORR board member whose priority is D&I and engage on strategy implementation. Invite D&I experts to come to ExCo occasionally to talk about D&I.
Year 2		
1.6	Recruitment	<ul style="list-style-type: none"> Identify / develop a training programme for all levels of leaders and managers, across a wide range of areas including recruitment, supporting and managing inclusive teams etc.
1.7	Recruitment	<ul style="list-style-type: none"> Provide a framework for interview questions for recruiting managers in order to minimise the effect of unconscious bias in question formulation
1.9	Progression	<ul style="list-style-type: none"> Make adhoc development and project opportunities more transparent and open to all with relevant skills, using expression of interest Use succession planning to develop and facilitate an internal pipeline of employees from groups which are under-represented at senior levels:

Year 3		
1.10	Recruitment	Develop HR scrutiny of interventions for a sample of roles at each stage of the recruitment process in order to <ul style="list-style-type: none"> • Learn what makes the most impact in the recruitment process for D&I • Provide assurance of D&I best practice
1.11	Representation	Increase diverse representation on the board: <ul style="list-style-type: none"> • Prepare for board vacancy e.g. identify head hunters that have a good track record of identifying diverse board members.

2. Improving inclusion

Year 1		
No.	Category	Recommendation
2.1	Inclusion and respect	<ul style="list-style-type: none"> • Reframe the work on bullying and harassment as an agenda for inclusion • Review ORR values to include inclusive and respectful behaviours more explicitly • Promote understanding of ORR values and behaviours by recognising and promoting positive examples • Empower and enable people to challenge behaviours that breach ORR's values • Encourage senior managers to lead by example in supporting, promoting and intervening • Recognise positive promotion of inclusive behaviours in performance reviews
2.2	Inclusion and respect	<ul style="list-style-type: none"> • Continue to review data on D&I issues from People Survey and other sources, and share findings with managers. • Encourage managers to suggest and share good practice and/or actions to address the issues identified, with each other and their teams.
2.3	Working patterns	<ul style="list-style-type: none"> • Encourage managers to support part-time and flexible working employees • Support managers to ensure that part-time and flexible working employees have similar opportunities as their full time employees to showcase their talent (e.g. meetings, conferences, presentations), making use of technology where possible.
2.4	Inclusion and respect	<ul style="list-style-type: none"> • Encourage the use of the new Dispute Resolution process.
2.5	Non-declaration	<ul style="list-style-type: none"> • Communicate the importance of declaration of protected characteristics to all employees - explain why it is needed, how the data will be used and stored and that confidentiality is maintained
Year 2		
2.6	Inclusion and respect	<ul style="list-style-type: none"> • Work with the ABH volunteers to review progress on support provided and lessons for the organisation

2.7	Inclusion and respect	<ul style="list-style-type: none"> Encourage the continuous use of the new Dispute Resolution and ensure that the organisation is confident that the appropriate actions are taken.
Year 3		
2.8	Inclusion and respect	<ul style="list-style-type: none"> Establish a programme of training – online and face-to-face –to increase awareness of diversity and inclusion best practice (see also 1.6)

3. Everyone is engaged in diversity and inclusion

Year 1		
No.	Category	Recommendation
3.1	Resources	Review the responsibilities set out in the Equality Policy and assess adequacy of resources to deliver these as well as our D&I strategy.
3.2	Resources	<ul style="list-style-type: none"> Recognise progressing our diversity and inclusion agenda as a project which needs resources to be assigned to it, identifying the resource required to deliver the progress within the strategy Create a structured activity plan and look for ways to encourage employees to participate in specific activities.
3.3	Networks	<ul style="list-style-type: none"> Confirm and communicate Diversity Network governance (including access to the CEO) with clear Terms of Reference, including attendance by SCS level D&I champion Support the Diversity network to increase its membership and visibility
3.4	Networks	<ul style="list-style-type: none"> Connect with relevant external networks for greater understanding and confidence in developing more impactful interventions.
Year 2		
3.5	Inclusive leadership	<ul style="list-style-type: none"> Take an inclusive leadership approach that encourages and expects leaders and managers actively own and drive the implementation of this strategy, role model the behaviours that deliver an inclusive workplace and feel confident in embedding these objectives into our business. Include mechanisms for assessing the impact of this programme.
Year 3		
3.6	Inclusive leadership	Review the impact of line managers' training on leading inclusive teams and if appropriate develop further skills based on interactive training on inclusive leadership, coaching and challenging conversations (see also 1.[x])

4. Improving governance and accountability

Year 1		
No.	Category	Recommendation
4.1	Governance	Engage with and ensure discussion on the equality policy and D&I strategy, especially at ExCo, RENCO and senior manager level.
4.2	Governance	<p>Appoint a D&I champion at SCS level with responsibilities for:</p> <ul style="list-style-type: none"> • providing input to the CEO • facilitating liason between Diversity Network and ExCo • liaising on D&I strategy with ExCo, RENCO and the Board • ensuring employees are recognised, as appropriate, for their work related to D&I • supporting and nurturing the Diversity network • proactively considering activities to progress D&I • being one of the representatives for ORR at UK Regulators Network (UKRN) Diversity Network and other external networks.
4.3	Data	<ul style="list-style-type: none"> • Undertake an audit of employee lifecycle data by protected characteristics with reference to requirements of the Equality Act 2010, and Civil Service Standards which relate to D&I. • Resolve data gaps to enable monitoring and regular interrogation of the full employee life cycle by protected characteristics – in particular around advancement (including training and development uptake, temporary promotion, progression) and exit interviews • Review the gender pay gap annually by following through identified actions • Undertake BAME pay gap analysis and use the output to identify how BAME representation is changing and as an ongoing proxy measure for BAME progression
4.4	Review progress	<ul style="list-style-type: none"> • Annual reporting on D&I – reviewing progress against plan and resources.
Year 2		
4.5	Governance	<ul style="list-style-type: none"> • Encourage managers or their line managers to identify their own D&I objective/s. • In performance reviews, ask all managers to set out what they have done in support of the D&I Strategy e.g. developing women or BAME employees or others with protected characteristics • Encourage managers to provide evidence where possible of progress e.g recruitment data.
4.6	Governance	<ul style="list-style-type: none"> • Engage RENCO and the Board in D&I to support their oversight role, including putting in place regular data and progress reporting to the Board/RENCO
4.7	Data	<ul style="list-style-type: none"> • Data review – Identify key dashboard indicators and numerical diversity / recruitment objectives that demonstrate progress e.g. recruitment diversity data throughout the process.
4.8	Review progress	<ul style="list-style-type: none"> • Annual reporting on D&I – reviewing progress against plan and resources.

Year 3		
4.9	Data	<ul style="list-style-type: none"> Data review – Identify key dashboard indicators and numerical diversity / recruitment objectives that demonstrate progress e.g. recruitment diversity data throughout the process.
4.10	Review progress	<ul style="list-style-type: none"> Annual reporting on D&I – reviewing progress against plan and resources.