

27 September 2010

## **Diversity Panel Members**

### **GOVERNANCE ARRANGEMENTS FOR CIVILIAN DIVERSITY IN MOD**

#### **Issue**

1. Proposal for how civilian diversity should be governed within MoD.

#### **Recommendation**

2. That the Diversity Panel agrees to recommend:
  - **Authority is delegated to the new Diversity Executive Board, allowing it to hold TLB's and Trading Funds to account for delivery against departmental priorities.**

And that the Diversity Panel notes:

- **The new governance arrangements aim to improve accountability within the business and ultimately the "lived experience" for all staff;**
- **Senior leadership holding the business to account is key to success;**
- **Governance of civilian diversity will now be split into two channels: advisory and executive;**
- **The new structure will provide clarity around the roles and improve the ability of the department to hear the concerns of its workforce and respond appropriately and promptly across the business; and**
- **The governance arrangements will be reviewed again in six months to assess the level of improvement given the amount of "machinery in place" and to respond, if required, to any new MoD structure at the strategic level that may come out of the SDSR, Grimstone or Defence Reform Unit.**

#### **Timing**

3. **Routine.** The proposal is to implement the new governance arrangements immediately.

#### **Background**

4. The MoD is fully committed to meeting current legislation and delivering against the Civil Service Diversity Strategy "Promoting Equality: Valuing Diversity". The new Equality Act is a real driver, adding to the imperative that there are appropriate governance arrangements in place. The department needs to ensure the issues of the workforce are being raised and to allow the business to respond in an agile and responsive manner, focussing on outcomes as opposed to process. Responsibility ultimately lies with SofS and PUS but the authority for implementing policy is delegated to TLBs and TFs. Visible commitment by senior leadership, reflected in words and actions will reinforce the

business case, highlight the importance the department places on diversity and ensure that senior managers within TLBs and TFs are held to account.

5. This paper aims to provide a “one stop shop” concerning the governance arrangements for civilian diversity that need to be followed by MoD both across government and internally at both the strategic and working level. These arrangements will give MoD increased confidence that it is drawing maximum benefit from the development and implementation of its diversity policies with a view to achieving a fair and inclusive “lived experience” for all staff.

### **Cross Government**

6. The MoD needs to play an active role on Diversity across government so it can maximise on opportunities to share best practice, efficiently respond to legislation changes and influence diversity aspects of strategic initiatives such as Next Generation HR. The future presents challenges in terms of resource availability; MoD will therefore need to be smart and selective in its approach, maximising on the “machinery available” to tackle diversity issues.

7. Key meetings include the Diversity Delivery Board and Diversity Champions Network (attended by PUS), Heads of Equality Forum (attended by Head of Corporate Capability) and the Cross Government Diversity Practitioners Network (attended by DCP Diversity AH). Links need to be maintained with OGDs that have cross government leads on specific aspects of the diversity agenda e.g. GEO on public sector duties, DWP on disability, BIS on maternity, OGC on procurement *etc* and at desk officer level there is the Civil Service wide Diversity Networks e.g. CS Race Network, Disability Network, Womens’ Network, Rainbow Alliance and a:gender.

8. The Department has a strong record in external diversity benchmarking<sup>1</sup>. The use of benchmarking at an appropriate frequency<sup>2</sup> offers an ability to measure performance, monitor progress and make comparisons against other organisations in the public and private sector.

### **Departmental – Strategic level**

9. The Department has adopted a unified (military and civilian) philosophy towards equality and diversity issues at the strategic level. This is reflected through the Unified Diversity Strategy (UDS). The UDS ensures that business performance is demonstrably linked to diversity policies and practices. It is therefore imperative that there are arrangements in place to monitor civilian diversity performance on a regular basis.

10. Accountability for diversity performance ultimately lies with SofS and PUS; however the duty of providing strategic direction to the Department is delegated to the Diversity Panel, which should ensure diversity issues are raised, as required, to the Defence Board. Awareness of diversity issues at Defence Board level will be augmented by the

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<sup>1</sup> 2009: Race for Opportunity (1<sup>st</sup> out of 17 public sector departments); Stonewall (73<sup>rd</sup> out of 350 public and private sector employers); Opportunity Now (Silver Standard); Disability Standard (Gold standard: 10<sup>th</sup> overall and the only public sector organisation to be in the top 10); a:gender (3<sup>rd</sup> overall).

<sup>2</sup> Benchmarking is currently under review to determine the optimum scope and frequency of participation to ensure value for money is being achieved.

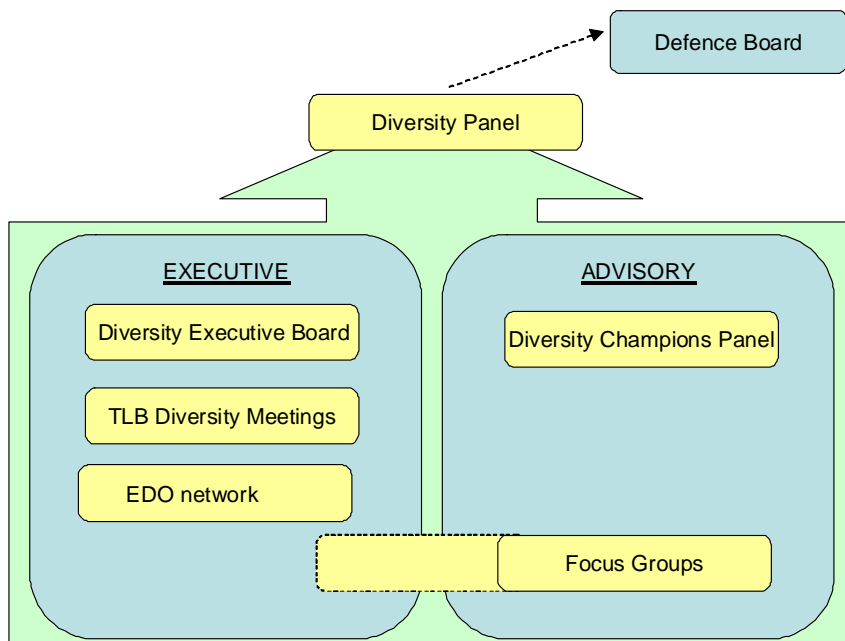
appointment of an existing Defence Board Non-Executive Director with a role as independent equality and diversity champion<sup>3</sup>.

11. The existing **Diversity Panel** chaired by PUS and CDS meets up to three times a year and is the strategic forum where civilian and military diversity issues are considered together. The Terms of Reference (Annex A) sets out the aim, which is to “*enable the MoD to draw maximum benefit from the development and implementation of its diversity policies by drawing on external experience of good practice (through 5 external members), barriers to change and lessons learnt*”. The actual implementation of policy is the responsibility of TLB holders and CE of TF agencies, but they are currently not held to account for their performance.

**CHANGE 1: Diversity Panel to monitor TLB/TF diversity performance on a bi-annual basis, reviewing both concerns within and progress made by the business**

12. On the civilian side, information is fed to the Diversity Panel largely through only one channel, namely the **Diversity Champions Panel**. This panel is chaired by DG HRCS (LGBT Champion) and aims to assist the Diversity Panel, acting as a strategic forum between the Diversity Panel and Focus Groups (across all the diversity strands) to influence and drive the Diversity Agenda across the Department. The panel has therefore been trying to play the role of both advisor and executor and has been unable to achieve maximum benefit from its meetings.

**CHANGE 2: Two reporting channels (advisory and executive) are implemented.**



**Figure 1: Executive and Advisory civilian governance structure**

13. The Terms of Reference for the Diversity Champions Panel will therefore change (Revised version at Annex B) to reduce its membership and transform it into an advisory (as opposed to executive) committee with the aim of highlighting concerns of the workforce to both the Diversity Executive Board and the Diversity Panel. This will inform decisions on departmental priorities, allow honed exploration into best practice across the wider public and private sector and inform decision around actions required (that would be taken forward by the Diversity Executive Board).

<sup>3</sup> CDS 1/1/6 dated 13 Sep 10

**CHANGE 3: Diversity Champions Panel to provide an annual report to the Diversity Panel covering the key areas of concern and any perceived progress by the workforce.**

14. The external members on the Diversity Champions Panel are different to those on the Diversity Panel members, limiting the opportunities for external members to familiarise themselves with the culture of MoD and provide consistency of advice.

**CHANGE 4: Two of the Diversity Panel external members should also sit on the Diversity Champions Panel.**

15. **Diversity Champions** are responsible for supporting and encouraging progress on particular aspects of our diversity agenda, with each Diversity Champion taking personal responsibility for supporting their particular Diversity focus group and for promoting and improving diversity across the department. The appointment of Diversity Champions is on a personal as opposed to role basis, although all are members of the Senior Civil Service. There is no fixed appointment term for diversity champions; rather the duration in post is largely dependent upon the time a Champion can commit to the position. Revised terms of reference (taking into account the changes to the Diversity Champions Panel) are at Annex C.

16. PUS will also meet with Diversity Champions twice a year<sup>4</sup>, as part of normal business to take stock of concerns, discuss priorities and progress, ensuring a strong link between the Diversity Panel and the Diversity Champions Panel is maintained.

17. The new **Diversity Executive Board** (change 2) is charged with executing delivery of the departmental diversity action plan in an efficient manner. This will allow TLBs and TFs early exposure and the opportunity to be involved in collective decision making about how the business will deal with cross cutting themes, implement change and deliver against departmental priorities. This executive board will be chaired by the Head of Corporate Capability (who will have delegated authority) and will meet on a bi-monthly basis. Its actions will be fed by the priorities set out by the Diversity Panel and workforce concerns raised by the Diversity Champions Panel. This Board has the authority to hold TLBs and TFs to account for delivery against departmental priorities, so representation across all TLBs and TF, needs to consist of empowered decision makers (Band B2 minimum). Additional members will include a representative from the Defence Academy, Trade Unions and DCDS Pers area. This Board will report to the Diversity Panel on a bi-annual basis, coordinating TLB/TF reports that highlight progress and areas that remain a concern. Terms of Reference for this Board are set out at Annex D.

18. These changes at the strategic level are occurring at a time of significant change within the department. The arrangements will be reviewed in six months time to assess if further changes are required. Lines of analysis at that time will include whether any adaptations are required to respond to new organisational structures within the MoD and whether there is a need (given the outcome desired) to increase the level at which the business is being held to account to deliver *i.e.* Defence Operating Board.

**Departmental – Working level**

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<sup>4</sup> PUS/14/18 dated 03 Mar 2010

19. Delivery of diversity at the working level happens through a tri-partite arrangement involving the DCP diversity team, the TLB/TFs (specific Diversity Champions and EDOs) and the Focus Groups (plus their associated networks). The current climate is increasingly putting pressure on resources; it is therefore imperative that this tri-partite arrangement is joined up and working effectively to ensure it gets the maximum return on its investment. This is being examined further in connection with Grimstone.

20. The **DCP Diversity team** plays a strategic role in the centre with responsibility for ensuring that MOD policies meet legislation including the promotion of diversity, all legislative and corporate reporting, and the management of Trade Union consultation on diversity policies.

21. The role of the strand specific **focus groups** is to help mainstream diversity across the Department and to create a climate where consideration of diversity issues is second nature to all MoD staff. They provide an insight into the problems and concerns of different groups of staff and act as consultation fora for policy developers but they also develop and deliver against annual action plans so also play a part in the executive aspects of diversity governance as well (as shown in Figure 1). In July 10, two Fast Streamers were assigned to each Focus Group, providing additional resource to assist with the executive function of driving focus group action plans forward. The department is committed to supporting the focus groups; PUS meets with Focus Groups on an annual basis to demonstrate his support<sup>5</sup> and has written to the line managers of all focus group members to request they support the involvement of their staff. Terms of Reference for the focus groups are at Annex E.

22. All **TLB/TFs** are to appoint one representative to each of the Focus Groups and to support the appointee through regular briefings and two-way feedback.

23. All three groups have different needs from each other in terms of outputs. Clear communication on priorities and expectations in order to result in a joined up approach to delivery is essential. The requirements and communication methods of each are set out at Annex F.

### **Trade Unions**

24. Strong relations with TUs are important, there is an E&D Whitley twice a year and TU representation on the Diversity Champions Panel. Ad-hoc workshops are also regularly convened to address specific issues.

### **Departmental – Interaction with Services and MDPGA**

25. Progress against the MoD civilian diversity agenda cannot be done in isolation from service and MDPGA colleagues. The Diversity Panel is a combined forum ensuring connectivity at the strategic level. At the working level a joint Equality and Diversity Scheme is produced coupled with regular attendance at relevant meetings<sup>6</sup>. The UDS reflects the respective requirements of the Armed Forces, the wider MoD and the MDPGA.

### **Presentation**

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<sup>5</sup> FG review 2009.

<sup>6</sup> Armed Forces Diversity and Equality Steering Group and the Service Health and Welfare Group

26. This paper has been staffed within DCDS Pers area and has been agreed with DGHRCS. The new governance arrangements should lead to improved ways of working and delivery thus providing communications opportunities in due course.

Hd Corporate Capability

## **TERMS OF REFERENCE FOR MOD DIVERSITY PANEL – REVISED SEPTEMBER 2010**

### **ROLE**

1. The role of the Diversity Panel is to provide strategic direction to the Department in developing policies that promote equality and diversity among all members of the Department, Armed Forces and civilians, to implement the Unified Diversity Strategy; to monitor and evaluate the Department's diversity policies and performance, to set diversity priorities and to help project a positive image of the Department's approach to diversity in the wider community.

### **AIM**

2. To enable the MoD to draw maximum benefit from the development and implementation of its diversity policies, by providing clear direction of priorities and drawing on external experience of good practice, barriers to change and lessons learnt.

### **MEMBERSHIP**

3. The Diversity Panel will be jointly chaired by the Chief of the Defence Staff and the Permanent Secretary. The other internal members will be the Deputy Chief of Defence Staff (Personnel & Training) and the Director General Human Resources and Corporate Services. Up to five external members will be appointed.

### **WORKING METHOD**

4. The panel, given its membership, has the authority to:

- Set departmental priorities for diversity.
- Take stock of departmental concerns as raised by civilian (through the Diversity Champions Panel), military and MDGPA Boards.
- Seek to identify best practice through the use of external members.
- Provide advice and guidance on best practice to the appropriate executive boards.
- Scrutinise progress against diversity action plans.
- Raise diversity issues to the Defence Board as required.

5. The external members will be retained by the MoD to assist the Department in developing a strategic agenda to embed equality and diversity policies at all levels of the organisation. They will:

- review and develop the Unified Diversity Strategy including business objectives and targets;
- scrutinise the performance of the MOD against agreed performance indicators which will feature in the Defence balanced Scorecard;
- support and challenge the Department in respect of its priorities, its performance and its policy initiatives.

The full Diversity Panel will meet up to three times a year to review progress and set priorities.

6. External members will be cleared to "Restricted" level and will be given access to relevant papers such as extracts from the Service Personnel Plan and the Defence Balanced Scorecard and annual reports from Diversity Networks/Focus Groups. They will be able to request any additional information they need in order to discharge their role, subject to the normal security and privacy restrictions.

## **TERMS OF REFERENCE FOR DIVERSITY CHAMPIONS PANEL – REVISED SEPTEMBER 2010**

### **ROLE**

1. The role of the Diversity Champions Panel is:
  - To provide a cross strand forum that can provide advice on the “lived experience” at a senior level.
  - To inform and influence the Diversity Agenda across the Department by raising key issues to the Diversity Panel and the Diversity Executive Board.
  - To extend the sharing and identification of best practice at strategic level by maximising on the membership of the external members.
  - To promote Equality and Diversity amongst the Department’s civilian staff.

### **AIM**

2. To assist the Diversity Panel in achieving its aim of “enabling the MOD to draw maximum benefit from the development and implementation of its diversity policies, by providing clear direction of priorities and drawing on external experience of good practice, the departments “lived experience”, barriers to change and lessons learnt”.

### **MEMBERSHIP**

3. The Diversity Champions Panel should be chaired by one of the Diversity Champions and is currently chaired by DG HRCS (LGBT Champion). The Membership will include the Diversity Champions, chairs of the Diversity Focus Groups, Service Personnel representative (DCDS Pers SCW DH), MDPGA representative, Civilian Personnel diversity team representative and two external members (who also sit on the Diversity Panel). Other members may be co-opted to the Panel as and when required.

### **WORKING METHOD**

4. The Diversity Champions Panel will meet twice a year to ascertain the civilian lived experience across the department, informing the Diversity Executive Board (tasked with delivering across the business) and the Diversity Panel (which considers diversity issues facing the military, civilian and MDGPA).
5. The Diversity Champions Panel will formally report to the Diversity Panel on an annual basis, covering the key areas of concern and any perceived progress by the workforce, in order to inform Diversity Panel decisions on the departmental priorities.
6. There will be two external members, both of whom attend the Diversity Panel. They will be cleared to “Restricted” level and will be given access to relevant papers (or extracts) such as the MoD Equality & Diversity Scheme and Minutes from the Diversity Focus Groups etc. They will be able to request any additional information they need to discharge their role, subject to the normal security and privacy restrictions.

## **TERMS OF REFERENCE FOR DIVERSITY CHAMPIONS – REVISED SEPTEMBER 2010**

### **Diversity Champions**

MoD has a number of Diversity Champions who are responsible for supporting and encouraging progress on particular aspects of our diversity agenda. Each Diversity Champion takes personal responsibility for supporting their particular Diversity focus group and for promoting and improving diversity across the department.

Diversity Champions are people who are passionate about equality and diversity and who, in their very senior positions in MoD, are well-placed to drive and speed-up the pace of behavioural and cultural change.

Diversity Champions must:

- Provide visible leadership and commitment to equality and diversity by attending Diversity Champions Panel and supporting their focus group.
- Articulate the business case for diversity at the highest levels in MoD, taking all opportunities to mention diversity and inclusion when public speaking.
- Engage with senior colleagues to embed diversity and inclusion in departmental business, planning and processes.
- Engage with and encourage the activities of the Diversity focus groups and support members in developing and delivering their plans (both at the local and the strategic level).
- Ensure the additional resource provided by the Fast Stream diversity volunteers is maximised, providing leadership and strategic direction as required.
- Articulate strand specific concerns at the Diversity Champions Panel and provide a timely contribution to the annual diversity advisory report to the Diversity Panel.

Diversity Champions should:

- Network with colleagues from other government departments in order to share best practice, innovation and experience.
- Sponsor initiatives, when possible, to support their particular diversity area.

### **Selection**

The appointment of Diversity Champions is on a personal as opposed to role basis, although they all need to be members of the Senior Civil Service. There is no fixed appointment term for diversity champions; rather the duration in post is largely dependent upon the time a Champion can commit to the position. The process for identifying a new Diversity Champion involves:

- DCP diversity team consulting with the relevant focus group about their expectations;
- DCP Diversity team discusses with the DCP SCS team to identify suitable candidates;
- DG HRCS approaches the individual and if accepted in principle by the individual;
- PUS informed and formally approves the appointment.

**MOD DIVERSITY EXECUTIVE BOARD: TERMS OF REFERENCE**

**ROLE**

1. The role of the Diversity Executive Board is to oversee and drive forward the implementation of diversity action plans across the business (TLBs and TFs). It will seek to align actions with departmental priorities and the concerns of the workforce with the ultimate aim of improving the “lived experience” for all staff.

**MEMBERSHIP**

2. The Diversity Executive Board will be chaired by the Head of Corporate Capability. The Membership will include empowered representatives from the TLBs and Trading Funds at Band B level or above, and a representative from DCDS Pers, the Defence Academy and the Trade Unions. Other members may be co-opted to the Panel as and when required.

**WORKING METHOD**

3. The Diversity Executive Board will be informed of departmental priorities by the Diversity Panel and of workforce concerns by the Diversity Champions Panel. It will use this information to:

- Ensure execution of the Departmental diversity action plan.
- Take decisions on how the business will deal with cross cutting themes.
- Hold TLBs’ to account for delivering against their individual action plans.
- Provide a joined up structure for Diversity across MOD through the inclusion of the TLBs and Trading Funds.
- To promote Equality and Diversity amongst the Department’s civilian staff.
- Formally report to the Diversity Panel on a bi-annual basis, co-ordinating TLB/TF reports that highlight progress and areas that remain a concern.

**FREQUENCY OF MEETINGS**

4. The Board will meet on a bi-monthly basis.

## **MOD DIVERSITY FOCUS GROUPS: TERMS OF REFERENCE**

### **AIM**

- The aim of all groups is to help mainstream diversity across the Department and create a climate where consideration of diversity issues is second nature to all MOD staff.

### **OBJECTIVES**

- To work with the Department towards achieving an inclusive culture where everyone's talents can flourish and a workforce in which all employees feel treated with fairness and respect.
- To improve the communication of diversity group issues and the Civil Service diversity agenda within the Department.
- To increase the effectiveness of diversity networks across MOD and their contribution to improving defence.

### **ROLE**

- To oppose discrimination and inequality and ensure the Department is doing all it can to meet the requirements of E&D legislation and fulfil its public duty.
- To promote an organisational culture that is socially inclusive for **all** staff.
- To review Departmental policies and, where appropriate, make recommendations for improvements in relation to the way they affect diversity groups.
- To raise awareness of the issues affecting diversity groups throughout the MOD and keep local networks informed of strategic level activity on diversity issues.
- To act as a consultation forum for the DCP Diversity Team and the wider Department at strategic level.
- To provide a channel of communication between employees belonging to minority groups and the wider Department.
- To provide a voice to communicate the concerns and views of diversity groups from across the Department.
- If required, to provide a means by which employees belonging to diversity groups can meet in a private and safe environment to discuss relevant issues.
- To encourage staff across the Department to declare their diversity data so that the Department is able to make better informed decisions and achieve its aim of providing a more welcoming experience for all staff.
- To participate wherever possible in departmental, cross-departmental and external forums to share experiences and best practice.

## **MEMBERSHIP**

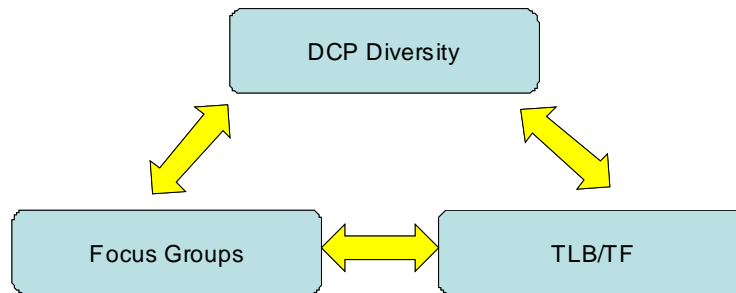
- Each group will have a Diversity Champion at SCS level appointed by PUS. The Champion will represent the views of the group at senior level.
- The groups will have a Chair, Vice-Chair and Secretary. Membership will be decided by annual ballot and all nominations for group roles must be considered.
- The number of roles in each Focus Group will be decided by the Chair and Vice-Chair depending on the group's requirements – membership decisions must **not** contradict departmental policy.
- Each group has the option of advertising for volunteer Fast Stream and MIDIT associate members in order to help with carrying out special one-off projects or events.
- A member of the DCP Diversity Team will attend each meeting to provide a 'strategic' viewpoint and ensure that the Department is best able to respond to the challenges identified by the Focus Groups.

## **WORKING METHOD**

- Groups will meet quarterly (as a minimum) at a time and date agreed by their members.
- Additional consultations may be called throughout the year in order to discuss new policies or other pressing issues.
- Groups will complete an annual Plan and Report. The Report will be endorsed by the appropriate Champion at SCS level and submitted to the Civilian HR Board (CHRB) and Diversity Panel.
- Each group will be responsible for their own administration including booking meeting rooms, taking minutes and arranging external speakers etc.

## **REQUIREMENTS AND COMMUNICATIONS METHODS OF DIVERSITY GROUPS AT WORKING LEVEL**

1. Delivery of diversity at the working level happens through a tri-partite arrangement involving the DCP diversity team, the TLB/TFs (specific Diversity Champions and EDOs) and the Focus Groups (plus their associated networks).



2. All three groups have different needs from each other in terms of outputs. Clear communication on priorities and expectations in order to result in a joined up approach to delivery is essential and are laid out below.

### **DCP Diversity**

3. DCP Diversity team plays a strategic role in the centre with responsibility for ensuring that MOD policies meet or exceed legislation including the promotion of diversity, all legislative and corporate reporting, and the management of Trade Union consultation on diversity policies.

4. In order to be able to achieve the above DCP requires:

#### **TLB/TF:**

- To deliver MoD diversity policies and the action plans within the Equality and Diversity Scheme (EDS) and to report annually against the action plans on a timely basis.
- Drive forward a changing culture within the MoD including the encouragement of staff to declare diversity data.
- To actively support the Diversity Focus Groups (and associated Networks) by appointing and empowering attendees.
- Send empowered representatives to Diversity Executive Board (Band B and above).

#### **FG:**

- To work with the Department towards achieving an inclusive culture through the improvement of communication of issues and the diversity agenda.
- Act as consultation forum on strategic issues.
- Generation and delivery against action plans.

5. DCP will use the following communications fora to ensure a coherent approach:

| <u>TLB/TF:</u>   | <u>FG:</u>   |
|--|--|
| <ul style="list-style-type: none"> <li>• TLB/TF HR Business Partners (including Team HR)</li> <li>• EDO Network</li> <li>• CHRB</li> <li>• Diversity Executive Board</li> <li>• Diversity Panel</li> </ul> | <ul style="list-style-type: none"> <li>• Desk Officers within the diversity team for issues as they arise.</li> <li>• Diversity Desk Officers, who provide the strategic advice and direction to the FG through regular attendance.</li> <li>• Meetings between C1 and B2 in diversity team with FG chairs on a quarterly basis.</li> <li>• Meetings between B1 and 1* in CC with FG chairs every 6 months.</li> </ul> |

### **Focus Groups**

6. The role of the strand specific focus groups is to help mainstream diversity across the Department and to create a climate where consideration of diversity issues is second nature to all MoD staff. They provide an insight into the problems and concerns of different groups of staff and act as consultation fora for policy developers but they also develop and deliver against annual action plans so also play a part in the executive aspects of diversity governance. Focus Groups require the following from the tripartite arrangement:

#### DCP Diversity

- Strategic direction.

#### TLB/TF

- Timely appointment of a single TLB representative to the Focus Group.
- Regular two-way communication so FG members can be briefed on areas of concern and TLBs receive feedback on the range and volume of work being taken forward.
- Support FG and networks.

#### **TLB/TF**

7. All TLB/TFs are to appoint one representative to each of the Focus Groups and to support the appointee through regular briefings and two-way feedback. TLB and TF require the following from:

#### DCP Diversity

- To produce E&D policies in line with current legislation and CS requirements.
- To set priorities for the Department in line with current legislation and CS requirements.

#### FG

- To identify and represent TLB issues, reporting back on progress.

8. TLB and TF will communicate directly with the Diversity Team although wider HR issues are often communicated through Team HR (although it is noted that TF are not currently a member of Team HR).