

Fourth Annual Equal Opportunities Report

Legal Services Research Centre

August 2004



Contents

Acknowledgements

Abstract

1. Introduction and Methodology

1.1 Overview

1.2 Methodology

1.2.1 The equal opportunities monitoring form

1.2.2 Response rates

1.2.3 Errors

2. Comparison with the 2000 Exercise and General Description

2.1 Comparison with the 2000 Equal Opportunities Research Exercise

2.1.1 Ethnicity – fee earners

2.1.2 Ethnicity – ownership or control

2.1.3 Gender

2.1.4 Contract type

2.2 General Description

2.2.1 Disability

2.2.2 Age

2.3 Comparison with Law Society data

2.3.1 Ethnicity of solicitor fee earners

2.3.2 Gender of solicitor fee earners

2.3.3 Age of solicitor fee earners

2.4 Summary

3. Comparison of Criminal and Civil Suppliers

3.1 Ethnicity

3.1.1 Ownership or control

3.1.2 Fee earners

3.2 Gender

3.2.1 Ownership or control

3.2.2 Fee earners

3.3 Age groups

3.4 Disability

3.5 Summary

4. Civil Contract Changes between 2003-2004 and 2004-2005

4.1 Ethnicity of Ownership or Control

4.2 Region

4.3 Contract Type

4.4 Immigration

4.5 Other Contract Types (Excluding Immigration)

4.6 Size of firm

4.7 Modelling

4.8 2003 review of immigration services

4.8.1 Impact of changes

4.9 Summary

5. Audit Category

5.1 Ethnicity

5.1.1 Overall

5.1.2 London only

5.1.3 England and Wales, excluding London

5.1.4 London only (removing firms with an immigration contract)

5.1.5 England and Wales, excluding London (removing firms with an immigration contract)

5.2 Gender

5.3 Disability

5.4 Age

5.5 Summary

6. Summary and Details of Future Work

6.1 Overall Summary

6.2 Future Work

6.2.1 The new global equal opportunities monitoring form

6.2.2 Methodology and protocol

6.2.3 Advantages

Appendices

Acknowledgements

The Legal Services Research Centre would like to thank Michael Bowen and Maryvonne Islip for their help in preparing and organising dispatch of the monitoring forms. We thank Bill Cole of the Law Society's Strategic Research Unit for supplying the law society's datasets and Tom Glover of the LSC for extracting supplier data. We also thank Hannah Chaplin and Holly Perry for their assistance in revising the equal opportunities monitoring protocol and Yve Schelhaas for information regarding the Inclusive Quality Project.

Abstract

The fourth annual equal opportunities report is made up of seven chapters: an overview of the methodology of the monitoring exercise; a general description of the civil contract data (including a comparison to the 2000 report and current law society data); a description of the differences between 'civil only', 'criminal only' and 'civil and criminal' solicitors' firms (including a profile of criminal legal aid solicitors' firms); a profile of firms holding civil contracts in 2003-2004 and 2004-2005; and a profile of firms in each cost audit category. Finally, overall findings and details of future work are set out.

For civil suppliers, the overall proportion of black and minority ethnic fee earners has increased since 2000. There has also been a small increase in the proportion of black and minority ethnic owned or controlled firms. There has been an increase in female fee earners since 2000, with female fee earners now outweighing male fee earners. However, female fee earners remain disproportionately in junior positions. Large percentages of female non-solicitor fee earners failed to translate to equally large percentages of solicitor fee earners

Both black and minority ethnic and female fee earners are better represented in the LSRC than the Law Society REGIS database, suggesting greater diversity among legal aid practitioners than the solicitors' profession as a whole.

'Criminal only' firms were more likely to have black and minority ethnic fee earners and ownership or control. In contrast, ownership and control by women was most common in 'civil only' firms. Long-term ill or disabled people accounted for only a very small number of fee earners, regardless of firm type.

Contract changes between 2003-2004 and 2004-2005 had a disproportionate effect on black and minority ethnic firms (with black and minority ethnic firms more likely to no longer hold contracts). This was at least in part due to more firms no longer holding contract in London. Also, one of the largest percentage decreases in contracts awarded was in the immigration work category, where black and minority ethnic firms are most common. In addition, firms no longer holding contracts tended to be smaller, as did black and minority ethnic owned and controlled firms. However, as the great majority of firms held contracts throughout, the net impact of contract changes on mean size was negligible. Modelling contract changes also demonstrated that region (London vs. elsewhere) and size of firm were key factors associated with no longer holding a contract.

Black and minority ethnic firms were more likely than white British firms to belong to cost audit category three, though much of this difference was explained by high rates of category three ratings among immigration firms. Size of firm had little impact on audit category, with region (specifically London) and holding an immigration contract being the main predictors of category three status

An extended summary is set out at section 6.1.

1. Introduction

1.1 Overview

The Legal Services Research Centre (LSRC) has conducted equal opportunities research for the Legal Services Commission (LSC) since 2000. The first report, published in 2001, was a benchmark survey of all solicitors' firms both applying for and awarded contracts for civil legal aid work in 2000. The 2002 report consisted of an equal opportunities review of the contracting process, focusing specifically on management audits. The third report adds to the earlier data collected for the 2001 Equal Opportunities report by detailing the results of a survey of not-for-profit (NfP) organisations holding the LSC's Quality Mark (QM) and profiling solicitors' firms holding contracts for criminal legal aid work. All reports are available from the LSRC's website.

The 2004 report is made up of seven chapters. The introductory chapter contains an overview of the methodology of the monitoring exercise. The following chapter provides a general description of the civil contract data, much of which takes the form of a direct comparison to the findings of the 2000 report, as well as to current law society data. This chapter also includes a basic description of data fields not included in the 2000 data. The third chapter describes the differences that exist between 'civil only', 'criminal only' and 'civil and criminal' firms in terms of ethnicity, gender, age and disability. In doing so it provides a profile of criminal legal aid solicitors' firms. The fourth chapter examines differences in contracts awarded for 2003-2004 and 2004-2005. It assesses whether changes have disproportionately affected particular groups, and if so, why? As these contract changes applied to civil suppliers only, this chapter is restricted to civil firms. This analysis required the merging of four datasets; the 2003 and 2004 equal opportunities datasets and the 2003-2004 and 2004-2005 civil contract datasets. For the fifth chapter we also merged audit category data into our combined dataset and considered whether certain population groups are more likely to belong to particular audit categories. While this chapter relates to all suppliers about which we had audit category information, these were predominantly civil suppliers. Finally, the overall findings and the form of future work are discussed.¹

1.2 Methodology

1.2.1 The equal opportunities monitoring form

The equal opportunities monitoring form used for civil and criminal suppliers in the 2004 exercise can be found in Appendix A². It included questions relating to the gender, age, ethnicity and disability of staff members and, *additionally*, those staff with ownership/control of firms. Monitoring forms were dispatched to civil suppliers with their contracts and to criminal suppliers with a pre-contract letter. Pre-addressed

¹ It should be noted that the report provides an overview of the data and is not exhaustive. Specific queries regarding areas not covered in the report should be addressed to Nigel Balmer, at nigel.balmer@legalservices.gov.uk

² Note that forms differed for 'not for profit' suppliers, 'IQP' suppliers and barristers chambers. These forms are available on request.

envelopes were provided, which were then posted to the LSRC's own P.O. Box to ensure confidentiality.

1.2.2 Response rates

3694 forms were sent to civil suppliers (plus an additional 155 sent out by regional offices) and 2758 to criminal suppliers. We were able to differentiate the two by a note to suppliers included on the civil form only³. Of the 3849 sent to civil suppliers, 1200 (31.2%) were returned. Of the 2758 sent to criminal suppliers, 373 (13.5%) were returned. However, an additional 452 firms that returned civil forms conducted criminal work, giving a cumulative response of 825 (30.0%) for criminal firms. There were no obvious disparities in regional response rates. A total of 1573 monitoring forms were returned. Since 'civil' forms were sent first, the lower response amongst criminal suppliers was expected, as many firms had filled out a civil form shortly before their 'criminal' form arrived. However, the overall response rate was disappointing and has prompted a number of changes to how the monitoring exercise will be carried out in the future. These changes are described in detail in the section on future work. A proposed new equal opportunities monitoring form can be found at Appendix B.

1.2.3 Errors

As with previous monitoring exercises, it is inevitable that the 2004 monitoring exercise was affected by the relative complexity of the monitoring forms. For example, some respondents appear to have had difficulty moving between questions asking about the ownership or control of their firms and the constituent fee earners. Also, questions about ownership or control could be difficult to answer where people were equally split between population groups.

³ Since suppliers could have both civil and criminal contracts, contract type would not be enough to differentiate between the two dispatches.

2. Comparison with the 2000 Exercise and General Description

This chapter compares our latest findings with those set out in the 2000 report. Section 2.1 follows much of the structure of the 2000 report. However, while we use merged administrative data, composite datasets are not treated with separate analyses as they were in 2000. Section 2.2 presents basic description of some aspects of the current dataset that were not available in the 2000 dataset. Finally, section 2.3 introduces Law Society data from their REGIS database for comparative purposes, though in far greater detail than was the case in 2000.

As the 2000 report looked solely at civil suppliers, with the exception of section 2.1.1, this chapter is also restricted to civil suppliers.⁴ Details of criminal suppliers are set out in the following chapter.

2.1 Comparison with the 2000 Equal Opportunities Research Exercise

2.1.1 Ethnicity⁵ - fee earners

785 (60%) of the 1,303 firms undertaking civil legal aid work that reported fee earner ethnicity data contained no black and minority ethnic fee earners.⁶ This compares to 71% in the 2000 report, and represents a highly significant decrease.⁷ Overall, 903 (60%) of the 1,505 firms undertaking any legal aid work contained no black and minority ethnic fee earners. This equated to 63% of firms undertaking only civil work, 57% of firms undertaking both civil and criminal work, and 59% of firms undertaking only criminal work.

81 (6%) of the 1,303 firms contained no white fee earners.⁸ While marginally higher, this figure was not significantly different from the 5% reported in the 2000 exercise. Around 43% of those firms reporting at least one black and minority ethnic fee earner contained no more than one, a slightly smaller percentage than in the 2000 exercise.

Tables 2.1, 2.2 and 2.3 show size of firm (grouped into 8 bands) for all firms⁹ (table 2.1), for firms with no black and minority ethnic fee earners (table 2.2) and for firms with no white fee earners (table 2.3). Relative percentages from the 2000 exercise are included in the furthest right column of each table.

⁴ Incorporating both ‘civil only’ and ‘civil and criminal’ suppliers, as described elsewhere in this report..

⁵ In this section, ‘all firms’ consists of those reporting useable ethnicity data. In other sections (e.g. gender), the number of firms included may change as a result of more useable gender information.

⁶ As with previous reports, ‘fee earners’ refer to those whose time is chargeable direct to clients unless otherwise stated.

⁷ $\chi^2_1 = 50.50, p < 0.001$.

⁸ Adding criminal firms had little impact upon this figure.

⁹ With criminal only firms removed.

Table 2.1. Grouped size of all survey firms

No.of fee earners	%	% 2000
1	6.5	4.9
2-4	30.6	36.9
5-9	35.9	35.6
10-14	14.3	11.4
15-19	4.9	4.9
20-24	3.1	2.2
25-49	3.2	3.4
50+	1.6	0.7
Total	100.0	100.0

Table 2.2. Grouped size of survey firms with no black and minority ethnic fee earners

No.of fee earners	%	% 2000
1	8.6	6.1
2-4	37.2	40.7
5-9	34.1	35.2
10-14	12.5	10.3
15-19	3.3	3.6
20-24	2.4	1.9
25-49	1.7	1.9
50+	0.1	0.3
Total	100.0	100.0

Table 2.3. Grouped size of survey firms with no white fee earners

No.of fee earners	%	% 2000
1	15.6	12.1
2-4	43.8	57.9
5-9	32.3	24.4
10-14	8.3	4.1
15-19	0	1.0
20-24	0	0.5
25-49	0	0
50+	0	0
Total	100.0	100.0

The 1,303 firms contained 11,206 fee earners – an average of 9.2 fee earners per firm (and marginally more than around 8 per firm in the 2000 exercise). The size of firms ranged from 1 to 330 fee earners (compared to 1 to 280 in the 2000 report) and the median number of fee earners was 6 (compared to 5 in 2000).

Of these fee earners, almost 14% were from minority ethnic categories, compared to 11% in the 2000 exercise.¹⁰ When considered alongside findings suggesting there were significantly fewer firms containing no black and minority ethnic fee earners, this would indicate that firms have become generally more ethnically diverse, as well a more general rise in overall numbers of black and minority ethnic fee earners.

Numbers of fee earners (both solicitor and non-solicitor) split by ethnic category are shown in Table 2.4. While categories are not directly comparable to the 2000 report,¹¹ the largest specific ethnic minority categories remained 'Indian' (3.8% of all fee earners) and 'Pakistani' (1.7% of all fee earners). Both of these figures have increased since the 2000 exercise (3.2% 'Indian' and 1.4% 'Pakistani'). Those wishing to compare figures in greater detail should refer to Figure 5 of the 2000 report.¹²

Table 2.4. Numbers, percentages and ratios of solicitor and non-solicitor fee earners by ethnic category.

	Solicitor fee earners (A)		Non-solicitor fee earners (B)		Ratio (A:B)
	Frequency	%	Frequency	%	
White British	6194	86.4	3461	85.6	1.79
White Irish	67	0.9	33	0.8	2.03
White Other	53	0.7	40	1.0	1.33
White/Black Caribbean Mixed	29	0.4	14	0.3	2.07
White/Black African Mixed	17	0.2	10	0.2	1.70
White/Asian Mixed	45	0.6	24	0.6	1.88
Other Mixed	10	0.1	2	0.0	5.00
Indian	304	4.2	117	2.9	2.60
Pakistani	114	1.6	79	2.0	1.44
Bangladeshi	20	0.3	23	0.6	0.87
Other Asian	59	0.8	40	1.0	1.48
Black Caribbean	84	1.2	85	2.1	0.99
Black African	93	1.3	68	1.7	1.37
Black Other	13	0.2	7	0.2	1.86
Chinese	30	0.4	13	0.3	2.31
Other	33	0.5	25	0.6	1.32

The 2000 exercise demonstrated marked differences in the ratio of solicitor to non-solicitor fee earners between white and black and minority ethnic groups. The exercise showed 1.7 white solicitor fee earners for every white non-solicitor fee earner, compared with a ratio of 1.2 to 1 for black and minority ethnic fee earners. In the present exercise we observe 1.8 white solicitor fee earners for every white non-solicitor fee earner, compared with a ratio of 1.7 to 1 for black and minority ethnic fee earners. We analysed rates of non-solicitor fee earners (as compared to solicitor fee earners) by year and ethnicity. Basic output for this analysis can be found in Appendix C. The analysis showed comparatively fewer non-solicitor fee earners in 2004 and overall and more white solicitor fee earners (compared to non-solicitors). Importantly though, entering the interaction term (exercise (2000 vs. 2004) by

¹⁰ $\chi^2_1 = 61.10, p < 0.001$.

¹¹ Ethnicity categories have been expanded from 10 categories in the 2000 monitoring exercise to 16 in the current report.

¹² Hard copies are available from the LSRC, or electronic copies from www.lsrc.org.uk.

ethnicity (white vs. BME)) demonstrated that black and minority ethnic fee earners were now significantly more likely to be solicitors (as opposed to non-solicitors) than they were in 2000.¹³ Indeed, the solicitor to non-solicitor fee earner ratio is no longer significantly different between white and black and minority ethnic respondents.¹⁴ However, as with the 2000 exercise, consistency of ratio does not hold across specific ethnic minority categories, with ratios varying from 0.87 to 5¹⁵ (see table 2.4). 139 (10.7%) of the 1303 firms had a majority of minority ethnic fee earners (i.e. greater than 50%). This compared to around 9% in the 2000 exercise. A further 39 (3.0%) had even numbers of white and black and minority ethnic fee earners, compared to an additional 2% in the 2000 exercise.

2.1.2 Ethnicity – ownership or control

Table 2.5. Breakdown (frequency and percentage) of firms by ethnicity of those with ownership/control.

	Frequency	%
White British	1148	89.7
White Irish	11	0.9
White Other	4	0.3
White/Black Caribbean Mixed	4	0.3
White/Black African Mixed	2	0.2
White/Asian Mixed	8	0.6
Other Mixed	0	0.0
Indian	25	2.0
Pakistani	9	0.7
Bangladeshi	5	0.4
Other Asian	17	1.3
Black Caribbean	9	0.7
Black African	22	1.7
Black Other	0	0.0
Chinese	2	0.2
Other	14	1.1

132 (10.3%) of 1,280¹⁶ firms reported that they had black and minority ethnic ownership/control. This compared to 387 (9.8%) of 3,938 in the 2000 exercise.¹⁷ Breakdown of ownership/control by ethnic category is shown in Table 2.5.¹⁸ As with the 2000 exercise, the largest specific ethnic category was 'Indian'. The problem associated with the 'Other' category identified in the 2000 exercise was largely negated through the introduction of more black and minority ethnic categories⁷,

¹³ Wald₁= 16.42, p < 0.001; Odds ratio (Exp β) = 1.31, corresponding to a 30% increase in likelihood.

¹⁴ $\chi^2_1 = 1.39$, p = 0.24

¹⁵ Note that numbers are relatively small for some more specific ethnic categories.

¹⁶ 1280 firms had useable ethnicity data for ownership/control.

¹⁷ Applying a simple chi-squared test to the 2 X 2 contingency table indicated that this increase over the 2000 exercise was not statistically significant; $\chi^2_1 = 0.25$, p = 0.61.

¹⁸ Note that Table 5 is made up of 1272 firms rather than 1280. The 8 missing firms were cases where double entries were made for ownership/control, and specifically two different ethnic minorities.

though there were still some problems with responses to the ownership/control questions.¹⁹

As with the 2000 exercise, there was overlap between those with black and minority ethnic ownership/control and those with a majority of black and minority ethnic fee earners. 99 (75%) of the 132 firms with black and minority ethnic ownership and control contained a majority of black and minority ethnic fee earners (a comparable percentage to the 79.3% in the 2000 exercise). A further 10 (7.8%) had equal numbers of white and black and minority ethnic fee earners. Again this figure was very similar to the 2000 exercise. Tables 2.6 and 2.7 correspond to Figures 7 and 8 in the 2000 report, and show the size of firm by ownership/control ethnicity category.

Table 2.6. Size of firm by ethnicity of ownership/control (number).

	Size of Firm (by Fee Earners)							
	1	2-4	5-9	10-14	15-19	20-24	25-49	50+
White British	79	331	399	158	59	35	36	13
White Irish	1	4	5	0	0	0	0	0
White Other	0	3	0	0	0	0	0	0
White/Black Caribbean Mixed	1	1	2	0	0	0	0	0
White/Black African Mixed	1	0	1	0	0	0	0	0
White/Asian Mixed	1	3	4	0	0	0	0	0
Indian	2	8	11	4	0	0	0	0
Pakistani	2	2	3	2	0	0	0	0
Bangladeshi	0	3	1	1	0	0	0	0
Other Asian	0	6	9	1	0	0	0	0
Black Caribbean	1	3	2	2	0	1	0	0
Black African	1	6	9	5	0	0	0	0
Chinese	0	0	2	0	0	0	0	0
Other	1	2	3	0	0	0	0	0

Again, black and minority ethnic firms were smaller than white owned/controlled firms. This was confirmed by a nonparametric Mann-Whitney test of differences in number of fee earners between white and black and minority ethnic firms.²⁰ This size difference was not significantly different from the 2000 exercise. While black and minority ethnic firms were significantly smaller in terms of size, size did not generally change over time (2000 vs. 2004), and there was no ethnicity by time interaction. This indicates that the difference in size between black and minority ethnic and white owned and controlled firms was consistent between the two exercises. Output from a basic univariate analysis of variance²¹ demonstrating size differences can be found in Appendix D. In general, black and minority ethnic owned and controlled firms had a mean of 5.7 fee earners and a median of 5. White owned and controlled firms had a mean of 8.9 fee earners and a median of 6.

¹⁹ There was some misunderstanding of the ownership/control question as well as necessary double entry (e.g. for cases where two individuals had ownership/control). This question has been adjusted for future exercises and is discussed further under 'future work'.

²⁰ $U = 60437$; $Z = -2.8$, $p = 0.005$.

²¹ A more complex log linear model produced a similar result.

Table 2.7. Size of firm by ethnicity of ownership/control (row percentage).

	Size of Firm (by Fee Earners)							
	1	2-4	5-9	10-14	15-19	20-24	25-49	50+
White British	7	30	36	14	5	3	3	1
White Irish	10	40	50	0	0	0	0	0
White Other	0	100	0	0	0	0	0	0
White/Black Caribbean Mixed	25	25	50	0	0	0	0	0
White/Black African Mixed	50	0	50	0	0	0	0	0
White/Asian Mixed	13	38	50	0	0	0	0	0
Indian	8	32	44	16	0	0	0	0
Pakistani	22	22	33	22	0	0	0	0
Bangladeshi	0	60	20	20	0	0	0	0
Other Asian	0	38	56	6	0	0	0	0
Black Caribbean	11	33	22	22	0	11	0	0
Black African	5	29	43	24	0	0	0	0
Chinese	0	0	100	0	0	0	0	0
Other	17	33	50	0	0	0	0	0
All	7	30	37	14	5	3	3	1

The proportion of minority ethnic fee earners within firms also decreased with size of firm, though not as severely as in the 2000 exercise. Table 2.8 shows the percentage of black and minority ethnic fee earners in firms with 5 or fewer and 11 or more fee earners, in 2000 and 2004. The table is also split for all fee earners, and for solicitor fee earners only.

Table 2.8. Representation of black and minority ethnic fee earners in firms of differing size and between 2000 and 2004 exercises.

	5 fee earners or fewer		11 or more fee earners	
	2000	2004	2000	2004
All fee earners	12.9%	15.1%	7.6%	10.7%
Solicitors only	11.3%	15.0%	6.3%	10.8%

Evidently, while discrepancies remain, black and minority ethnic fee earners have a greater representation in larger firms than in the 2000 exercise, as well as being better represented among solicitors (as against non-solicitor fee earners) than in 2000.

Evidently, these findings highlight the impact that changes in the proportions of firms of different sizes receiving contracts could have on the representation of minority groups within legal aid firms.

2.1.3 Gender

In the 2000 exercise, the ratio of male to female fee earners was around 1.2:1. In the present exercise, however, there were more female than male fee earners, with more than 1.1 female fee earners for every one male fee earner. Again though, this varied

dramatically with the type of fee earner. Figure 2.1 splits ownership/control, solicitor fee earners and non-solicitor fee earners by gender.

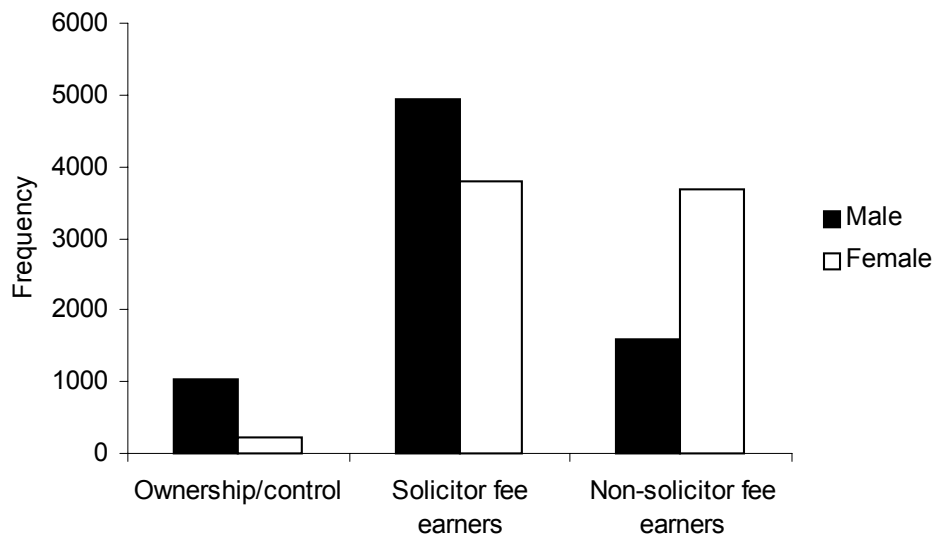


Figure 2.1. Gender split of ownership/control of firms, numbers of solicitor fee earners and numbers of non-solicitor fee earners. Note, use of 'majority' ownership/control is likely to underestimate the actual proportion of female respondents with ownership/control.²²

The ratio of female to male non-solicitor fee earners increased from the 2000 exercise, from 1.7:1 to 2.3:1 in the present study. 82.5% of firms were male owned /controlled, approximating to around 4.7 times as many male owned/controlled than female owned/controlled firms.

²² Future work addresses this problem by asking for comprehensive details of those with ownership/control (see future work).

2.1.4 Contract type

As with the 2000 exercise, there was substantial variation in the ethnicity of suppliers holding different contract types. Table 2.9 shows the ethnicity of ownership/control for firms holding various contract types. In addition to 2000 data (where available), we also include data from the 2003 exercise²³.

Table 2.9 Percentage of black and minority ethnic ownership/control for each contract type in 2000, 2003 and 2004.

Contract type	% black and minority ethnic ownership/control		
	2000	2003	2004 ²⁴
Actions against police		12.0	9.4
Community care		15.4	12.5
Consumer	14.5	10.6	12.5
Debt	10.1	9.1	10.4
Education		14.3	13.3
Employment	8.5	8.4	9.6
Housing	19.0	19.9	19.6
Immigration (asylum)		55.4	55.8
Immigration (other)		55.4	54.5
Immigration (all)	56.7		
Matrimonial	6.0	5.3	5.8
Medical negligence		0.0	-
Mental health	6.0	6.8	7.4
Personal injury		7.4	-
Public		13.3	8.0
Tolerance			6.3
Welfare benefits	18.5	20.8	19.7

As with the 2000 report, there was a particularly high percentage of black and minority ethnic ownership/control among firms holding an immigration contract. Again, in absolute terms, there were more black and minority ethnic matrimonial firms than either immigration (asylum) or immigration (other), despite only around six percent of matrimonial firms with black and minority ethnic ownership or control.

²³ See www.lsrc.org.uk for further details.

²⁴ Contracts held post bid round. Ethnicity data is taken from a combination of 2004 and 2003 exercises.

2.2 General Description

2.2.1 Disability

Of 1289²⁵ firms, 14 (1.1%) reported having a majority of disabled employees with ownership or control. 41 of 1355 (3.0%) of firms reported one or more long-term ill or disabled solicitor fee earner and 21 of 1355 (1.5%) reported one or more long-term ill or disabled non-solicitor fee earner. The maximum number of long-term ill or disabled solicitor or non-solicitor fee earners at any one firm was two. The higher rate of disability among solicitors than non-solicitors is unsurprising given that solicitors are significantly older and that long-term illness or disability is related to age.

2.2.2 Age

Figures 2.2. and 2.3 show the percentage of each age group for those with majority ownership or control of civil firms, for all solicitor fee earners and all non-solicitor fee earners. Not surprisingly, age increases with progression from non-solicitor to solicitor fee earners to ownership or control.

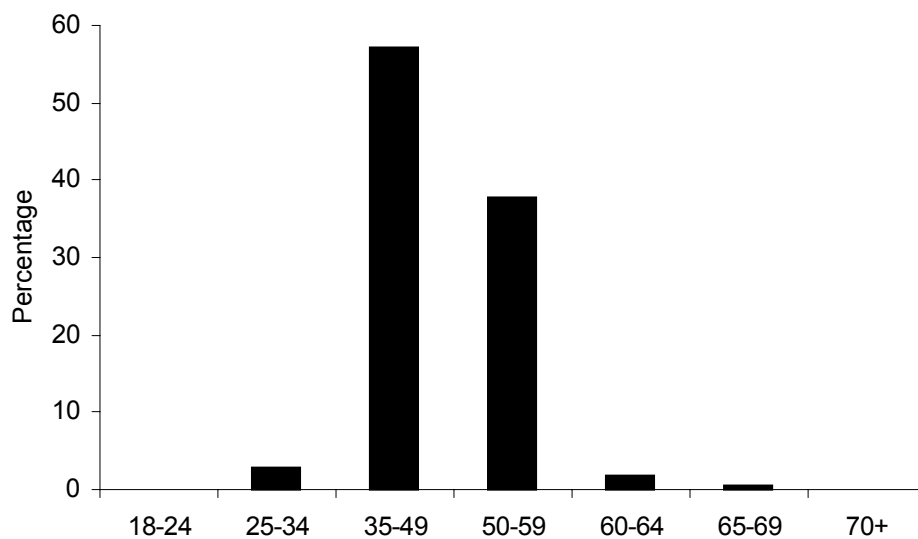


Figure 2.2. Age distribution of those with majority ownership or control of civil firms.

²⁵ 1289 firms gave a valid response to the question about long-term illness or disability of those with ownership or control.

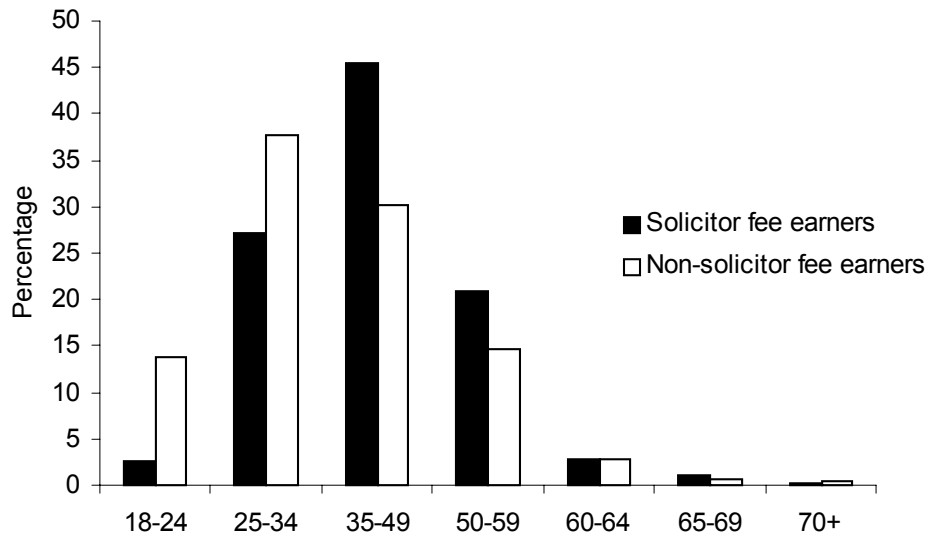


Figure 2.3. Age distribution of all solicitor and non-solicitor fee earners in civil firms.

2.3 Comparison with Law Society Data

The Law Society's Strategic Research Unit supplied to the LSRC a dataset extracted from their REGIS database, detailing the age, gender and ethnicity of solicitors throughout England and Wales. We filtered this data to match the 2004 equal opportunities dataset as best as possible.²⁶ The Law Society data was compared specifically to solicitor fee earner data from the 2004 dataset to assess differences in representation between ethnic groups, genders and age groups.

2.3.1 Ethnicity of solicitor fee earners

Table 2.10 shows the ethnicity of solicitors detailed in the Law Society and LSRC datasets. Categories for ethnicity did not correspond exactly between the two datasets. As a consequence, some categories have been collapsed into larger groups for comparability.²⁷

Table 2.10. Ethnicity of solicitors from the Law Society dataset¹⁹ and solicitor fee earners from the LSRC's 2004 equal opportunities dataset.

Ethnicity	Law Society Data		LSRC Data	
	Count	%	Count	%
White/British	47483	91.86	7009	88.34
White & Black Caribbean	23	0.04	35	0.44
White & Black African	12	0.02	17	0.21
White & Asian	75	0.15	48	0.60
Mixed Other	81	0.16	11	0.14
Black African/African	417	0.81	105	1.32
Chinese/Chinese other/Asian Chinese	258	0.50	33	0.42
Asian/Indian	1232	2.38	341	4.30
Asian/Pakistani	548	1.06	133	1.68
Asian/Bangladeshi	80	0.15	24	0.30
Afro-Caribbean/Black Caribbean	377	0.73	97	1.22
Black other	45	0.09	15	0.19
Asian/Asian other	1060	2.05	66	0.83
Combined Asian	3630	7.02	742	9.35
All except White/British	4208	8.14	925	11.66

The LSRC 2004 Equal Opportunities dataset had fewer white/British solicitors, and as a consequence, the majority of ethnic groups had a greater representation. While figures for Asian/Asian other are higher for the Law Society data, this is likely to be an artefact category difference. The second to last row of Table 2.10 combines all Asian groups²⁸ to show general higher representation in the LSRC dataset. The final row of Table 2.10 combines all black and minority ethnic groups, suggesting they

²⁶ i.e. 'Advice Service', 'Advocacy Services', 'Private Practice Partnership' and 'Private Practice Sole', though almost 90% of filtered cases were accounted for by 'Private Practice Partnership'.

²⁷ Notably 'White/British'. In the Law Society data, this combined 'White/European', 'British', 'White Other' and 'Irish'. In the LSRC data 'White British', 'White Irish' and 'White Other' were combined.

²⁸ Asian/Indian, Asian/Pakistani, Asian/Bangladeshi, White & Asian, Chinese/Chinese other/Asian Chinese and Asian/Asian other.

account for 11.7% of solicitor fee earners in the LSRC dataset, significantly more than the 8.1% amongst solicitors in the Law Society dataset.²⁹

2.3.2 Gender of solicitor fee earners

Table 2.11 shows the relative percentages of male and female solicitors in the Law Society and LSRC datasets.

Table 2.11. Number and percentage of male and female solicitors in the Law Society and LSRC datasets.

Gender	Law Society Data		LSRC Data	
	Count	%	Count	%
Female	21923	37.9	3796	43.5
Male	35898	62.1	4934	56.5

There was a significantly higher proportion of female solicitors in the LSRC dataset than in the Law Society dataset³⁰.

2.3.3 Age of solicitor fee earners

Age in the Law Society dataset was grouped according to LSRC dataset categories. Figure 2.4 shows percentage of solicitors falling within each of seven age groups.

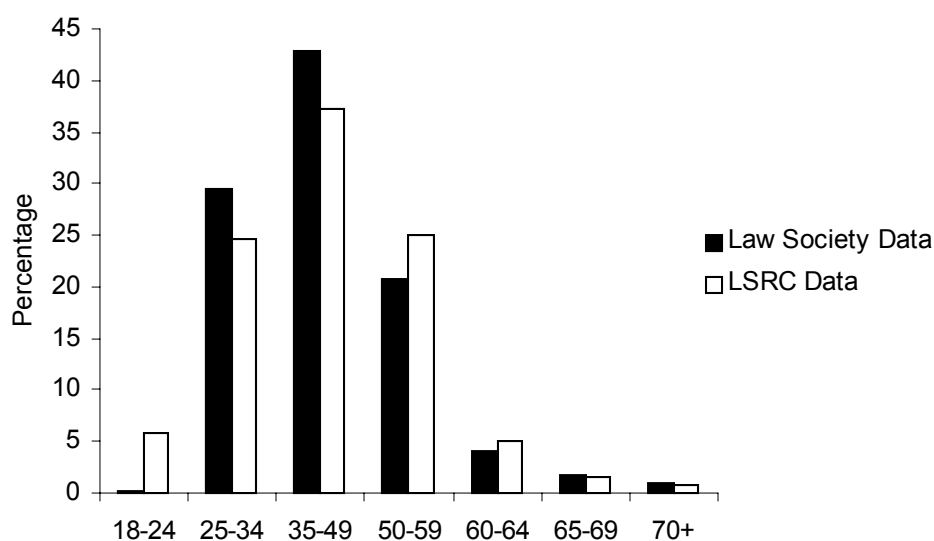


Figure 2.4. Age of solicitors in Law Society and LSRC datasets.

²⁹ $\chi^2_1 = 108.20, p < 0.001$.

³⁰ $\chi^2_1 = 99.14, p < 0.001$.

There were lower percentages of solicitors in the 25-34 and 35-49 year age ranges in the LSRC dataset. In contrast, there were more solicitors aged 50 or over and many more aged under 25 (a group with very little representation in the Law Society dataset).

2.4 Summary

A comparison with the 2000 equal opportunities monitoring exercise indicated that the proportion of black and minority ethnic fee earners has risen. The percentage of firms with no black and minority ethnic fee earners has gone down. These findings indicate both increased representation of black and minority ethnic fee earners and increasingly ethnically diverse firms. Importantly, black and minority ethnic fee earners are now significantly more likely to be solicitors, and the ratio of solicitors to non-solicitors is now similar for white British and black and minority ethnic fee earners. This indicates successful progression of black and minority ethnic fee earners within firms. There was a modest increase in the proportion of firms with black and minority ethnic ownership or control.

Black and minority ethnic fee earners continue to be more common in smaller firms, highlighting the potential impact that changes in the proportions of firms of different sizes receiving legal aid contracts could have on the representation of minority groups within legal aid firms.

Elsewhere, there has been a rise in the proportion of female fee earners, who now outnumber males. However, this change is in large part attributable to the number of female non-solicitor fee earners. Disabled and long-term ill fee earners were rare.

Finally, both black and minority ethnic and female solicitor fee earners were better represented in the LSRC dataset than the Law Society REGIS dataset.

3. Comparison of Civil and Criminal Suppliers

Unlike in previous years, for the 2004 equal opportunities exercise monitoring forms were sent out to both civil and criminal suppliers. The final section of the monitoring form (see appendix A) invited respondents to mark the areas of work undertaken, allowing us to categorise firms as 'civil only', 'criminal only' or 'both'. This chapter describes these three types of firm in terms of ethnicity, gender, age and disability and quantifies the observed differences.

3.1 Ethnicity

3.1.1 Ownership or control³¹

As can be seen from Table 3.1, there were significant differences between civil, criminal and civil and criminal firms in terms of ethnicity of ownership/control. Using those firms that undertake 'both' civil and criminal legal aid work as a reference category it is evident that while 'civil only' firms were not significantly different in ethnicity of ownership/control³², 'criminal only' were significantly more likely to have black and minority ownership/control³³. Further detail of this analysis can be found in Appendix E.

Table 3.1. Ethnicity of ownership or control of 'civil only', 'criminal only' and 'civil and criminal' firms.

	Black and Minority Ethnic	White British	Total
Criminal	30	145	175
	17.1%	82.9%	100%
Both	55	513	568
	9.7%	90.3%	100%
Civil	77	635	712
	10.8%	89.2%	100%
Total	162	1293	1455
	11.1%	88.9%	100%

Ethnic category of ownership/control for each of 'civil only', 'criminal only' and 'both' are shown in Table 3.2.

³¹ For ownership or control, firms are asked about the 'majority' of those with ownership or control.

³² Wald₁ = 0.44, p = 0.51; Odds ratio (Exp β) = 1.13.

³³ Wald₁ = 7.16, p = 0.007; Odds ratio (Exp β) = 1.93.

Table 3.2. Ownership or control of firms (number), split by ethnic category and civil, criminal or both.

Ethnicity of majority ownership or control	Criminal	Both	Civil
White British	145	513	635
White Irish	3	3	8
White Other	3	3	1
White/Black Caribbean Mixed	0	1	3
White/Black African Mixed	1	0	2
White/Asian Mixed	2	3	5
Indian	4	13	12
Pakistani	6	4	5
Bangladeshi	0	3	2
Other Asian	1	4	13
Black Caribbean	4	5	4
Black African	1	9	13
Black Other	1	0	0
Chinese	0	2	0
Other	1	2	4

3.1.2 Fee earners

Figure 3.1 shows the percentage of firms with black and minority ethnic ownership or control, the total percentage of black and minority ethnic solicitor fee earners and the total percentage of non-solicitor fee earners, split into 'civil only', 'criminal only' and 'both'.

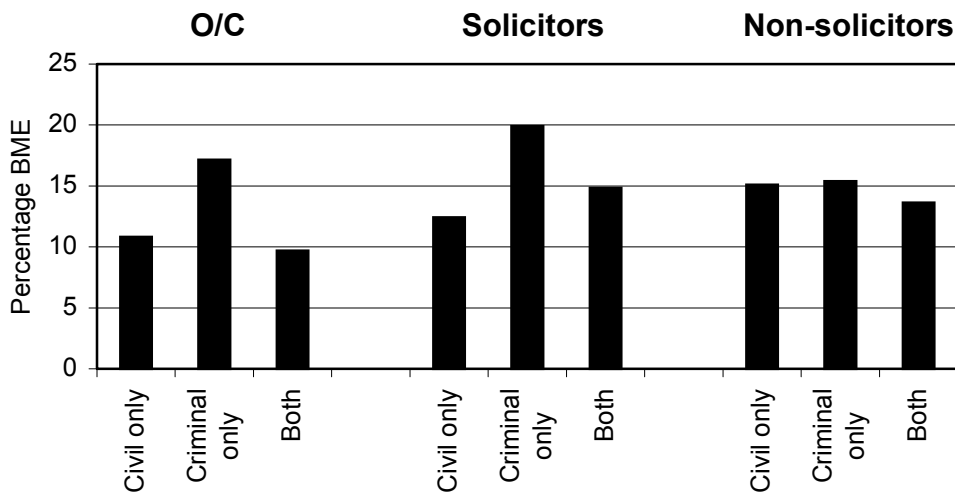


Figure 3.1. Percentage of black and minority owned or controlled firms, solicitors and non-solicitor fee earners, split by firm type.

For solicitors in general, the picture closely follows that of ownership or control, with black and minority ethnic solicitor fee earners making up a greater percentage of criminal only firms. Interestingly, this did not seem to be the case for non-solicitor fee earners, where black and minority ethnic representation was fairly consistent across the three groups.

These differences in the makeup of criminal and civil firms highlight the potential impact that any shift in the balance between civil and criminal legal aid firms could have upon representation of minority groups.³⁴

3.2 Gender

3.2.1 Ownership or control

Table 3.3 shows majority ownership/control by gender, again split by ‘civil only’, ‘criminal only’ and ‘both’.

Table 3.3. Gender of ownership or control, split by contract type

	Male	Female	Total
Criminal	132	18	150
	88.0%	12.0%	100.0%
Both	422	64	486
	86.8%	13.2%	100.0%
Civil	460	136	596
	77.2%	22.8%	100.0%
Total	1014	218	1232
	82.3%	17.7%	100.0%

Majority female ownership or control was significantly more common for ‘civil only’ firms³⁵. Percentages in ‘criminal only’ and ‘civil and criminal’ firms were similar. Brief output from this analysis can be found in Appendix F.

3.2.2. Fee earners

Figure 3.2 shows percentage of firms with female ownership or control, total percentage of female solicitor fee earners and the total percentage of female non-solicitor fee earners, split into ‘civil only’, ‘criminal only’ and ‘both’.

³⁴ For example, if fewer contracts were to be made available to ‘criminal only’ suppliers in favour of those conducting ‘criminal and civil’ work, we would expect a reduction in the number of minority ethnic owned and controlled firms.

³⁵ Comparing ‘civil only’ to ‘civil and criminal’ firms, male ownership and control was significantly less likely; Wald₁ = 16.19, p < 0.001; Odds ratio (Exp β) = 0.51. See appendix F for further details.

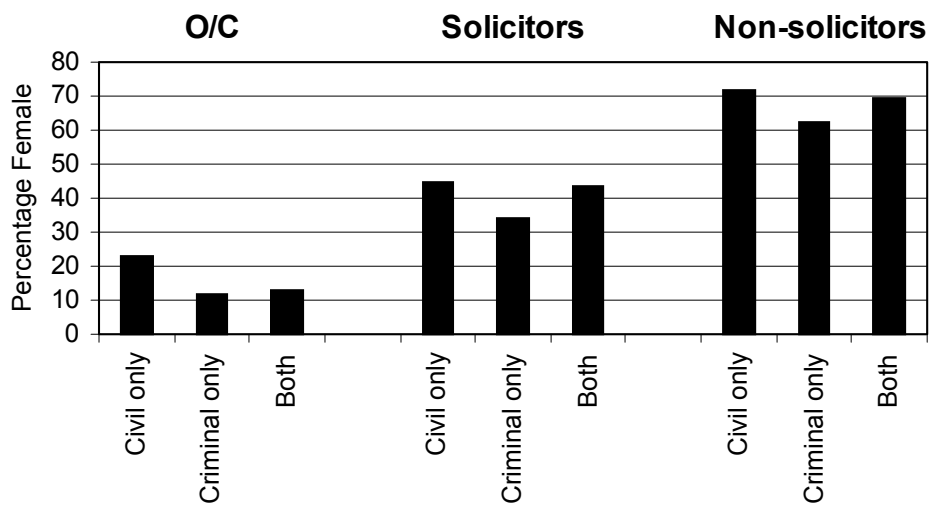


Figure 3.2. Percentage of female owned or controlled firms, solicitors and non-solicitor fee earners, split by firm type.

Again, as we observed in chapter 2, there was a high percentage of female non-solicitor fee earners, particularly when compared to solicitor fee earners and ownership or control. This figure can be contrasted with figure 3.1, where percentages are maintained far better with increasing seniority (i.e. non-solicitor to solicitor to ownership/control). There was little difference in the seniority of female fee earners between the three firm types, though in terms of representation, female fee-earners clearly have the smallest percentage representation in 'criminal only' firms.

3.3 Age groups

Figure 3.3 shows the percentages of each of seven age groups for majority ownership or control of each of the three firm types³⁶.

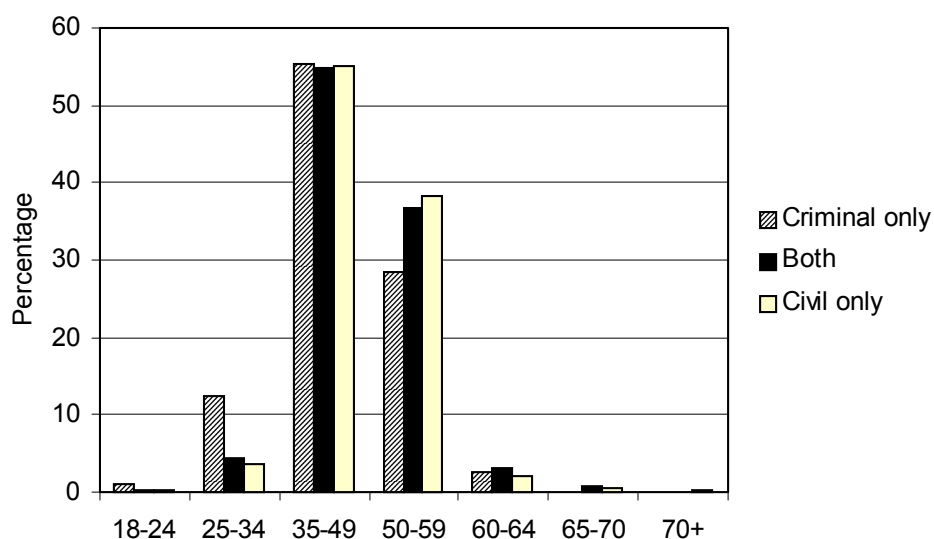


Figure 3.3. Age group of those with majority ownership or control of 'criminal only', 'civil only' and 'civil and criminal' firms.

3.4 Disability

Table 3.4 shows very small numbers of firms with long-term ill or disabled ownership or control. There were no discernable differences between 'civil only', 'criminal only' and 'civil and criminal' firms.

Table 3.4. Disability/illness of those with majority ownership or control of firms, split by firm type.

	Long term illness or disability		Total
	No	Yes	
Criminal	180	2	182
	98.9%	1.1%	100.0%
Both	560	7	567
	98.8%	1.2%	100.0%
Civil	715	7	722
	99.0%	1.0%	100.0%
Total	1455	16	1471
	98.9%	1.1%	100.0%

In terms of the number of solicitor and non-solicitor fee earners, 190 'criminal only' firms reported 5 long-term ill or disabled solicitor and 4 long-term ill or disabled non-solicitor fee earners. 760 'civil only' firms reported 21 long-term ill or disabled solicitor and 8 long-term ill or disabled non-solicitor fee earners. Finally, 595 'civil and

³⁶ Figures for solicitors and non-solicitor fee earners have been excluded brevity. Not surprisingly, solicitors and non-solicitor fee earners have increasingly young age profiles.

criminal' firms reported 25 long-term ill or disabled solicitor and 15 long-term ill or disabled non-solicitor fee earners.

3.5 Summary

Overall, 'criminal only' (compared to 'civil only' and 'civil and criminal') firms were more likely to have black and minority ethnic ownership or control and have more black and minority ethnic solicitor fee earners. Female ownership and control was less common in 'criminal only' firms. Again, long-term ill or disabled fee earners were rare in 'criminal only' firms, compared to their incidence in the general population of England and Wales.

Differences in the makeup of criminal and civil firms highlight the need to consider the potential impact that any shift in the balance between civil and criminal legal aid firms could have upon representation of minority groups.

4. Civil Contract Changes between 2003-2004 and 2004-2005

This chapter sets out the impact of the civil contract changes between 2003-2004 and 2004-2005.

For the purposes of analysis, two separate administrative datasets were extracted from the LSC's corporate information system (CIS), each listing contracts held by legal aid suppliers. The first dataset contained contracts for 2003-2004 and the second contracts for 2004-2005. These two datasets were merged together, along with equal opportunities data from both the 2003 and 2004 exercises³⁷.

The 2003-2004 contracts dataset contained 4,789 suppliers, while the 2004-2005 contracts dataset had 4,438 suppliers. 4300 suppliers appeared in both contracts datasets, 138 appeared only in the 2004-2005 dataset (i.e. new introductions) and 489 appeared only in the 2003-2004 dataset (i.e. firms no longer holding contracts for whatever reason either by termination or withdrawal). By merging data from 2003 and 2004 equal opportunities exercises, we assessed whether firms that no longer hold contracts (of any kind) were disproportionately different in terms of ethnicity.

4.1 Ethnicity of Ownership or Control

Of the 4300 suppliers with contracts in both datasets, we were able to add details of the majority ethnicity of those with ownership and control for 2519 (58.6%)³⁸. For the 138 introductions, we added details for 20³⁹ and for the 489 that no longer held contracts, we added details for 153. Filtering the data to compare those no longer holding contracts in 2004-2005 with those holding contracts in both 2003-2004 and 2004-2005 showed a higher proportion of black and minority ethnic owned and controlled firms among those no longer holding contracts (Table 4.1).

Table 4.1. Numbers and relative percentages of black and minority ethnic and white British owned and controlled firms amongst firms with contracts in both 2003-2004 and 2004-2005 and firms no longer holding a contract in 2004-2005⁴⁰.

	Black and Minority Ethnic	White British	Total
Contract no longer held	30	123	153
	19.6%	80.4%	100.0%
Contract held throughout	242	2277	2519
	9.6%	90.4%	100.0%
Total	272	2400	2672
	10.2%	89.8%	100.0%

³⁷ Data from the 2003 equal opportunities dataset was necessary to cover firms who held contracts in 2003-2004, but not in 2004-2005. The 2004 equal opportunities exercise would be highly unlikely to contain data on such suppliers.

³⁸ By merging data from all available equal opportunities databases.

³⁹ These cases were excluded from analysis due to small numbers. Four of the twenty introductions were black and minority ethnic owned and controlled.

⁴⁰ Overall, 10.2% of firms were black and minority ethnic owned or controlled in 2003-2004 compared to 9.7% in 2004-2005.

While black and minority ethnic firms accounted for just under ten percent of firms holding contracts in both periods, they accounted for almost twenty percent of those no longer holding contracts in 2004-2005. This difference was highly significant⁴¹, though the overall impact on the percentage of black and minority ethnic firms was modest⁴⁰. The following sections examine contract changes between regions and contract types to explain the discrepancy above.

4.2 Region

Regions were not uniformly affected by contract changes. For each region, Table 4.2 shows the percentage of firms in each region holding contracts in both periods, and only holding a 2004-2005 contract.

Table 4.2. Number and percentage of firms holding contracts in both periods or only in 2004-2005, split by region.

Region	Contract no longer held	Contract held throughout
London	164	736
	18.2%	81.8%
Brighton	45	242
	15.7%	84.3%
Reading	19	230
	7.6%	92.4%
Bristol	38	493
	7.2%	92.8%
Cardiff	25	335
	6.9%	93.1%
Birmingham	45	351
	11.4%	88.6%
Manchester	15	530
	2.8%	97.2%
Newcastle	25	264
	8.7%	91.3%
Leeds	35	367
	8.7%	91.3%
Nottingham	27	330
	7.6%	92.4%
Cambridge	43	371
	10.4%	89.6%
Liverpool	9	116
	7.2%	92.8%
Total	490	4365
	10.1%	89.9%

London clearly had the highest rate of firms no longer having contracts in 2004-2005, double the percentage observed in all other firms (18.2% compared to 9.0% elsewhere). Given that London had a particularly high proportion of firms failing to obtain 2004-2005 contracts, it is inevitable that black and minority ethnic firms are

⁴¹ $\chi^2_1 = 15.78, p < 0.001$.

also affected. Combining ethnicity data from 2003 and 2004 equal opportunities exercise suggested that 43% of London firms were black and minority ethnic owned and controlled compared to only 4% in other regions combined. These London firms made up 71% of all black and minority ethnic owned and controlled firms.

We fitted a binary logistic regression model comparing firms no longer holding a contract to firms holding a contract throughout to illustrate the relationship between region and ethnicity. Two binary predictors were entered; black and minority ethnic vs. white British owned and controlled, and London vs. all other regions⁴². Fitting either predictor alone produces highly significant results, with black and minority ethnic firms⁴³ and London firms⁴⁴ both significantly more likely to no longer hold a contract⁴⁵. However, if we enter both terms simultaneously, while region remains a significant predictor of no longer holding a contract, ethnicity is no longer significant. Simplified output for this model can be found in Appendix G. This suggests that once region is accounted for, there is no longer a disproportionate amount of black and minority ethnic firms failing to hold a contract. If we go a step further and split the data into 'London' and 'all other regions' (i.e splitting Table 4.1), we observe the percentages shown in Tables 4.3 and 4.4.

Table 4.3. Numbers and relative percentages of black and minority ethnic and white British owned and controlled firms amongst firms with contracts in both 2003-2004 and 2004-2005 and firms no longer holding a contract in 2004-2005 (London only).

	Black and Minority Ethnic	White British	Total
Contract no longer held	26	20	46
	56.5%	43.5%	100.0%
Contract held throughout	168	237	405
	41.5%	58.5%	100.0%
Total	194	257	451
	43.0%	57.0%	100.0%

Table 4.4. Numbers and relative percentages of black and minority ethnic and white British owned and controlled firms amongst firms with contracts in both 2003-2004 and 2004-2005 and firms no longer holding a contract in 2004-2005 (all regions except London).

	Black and Minority Ethnic	White British	Total
Contract no longer held	4	103	107
	3.7%	96.3%	100.0%
Contract held throughout	74	2040	2114
	3.5%	96.5%	100.0%
Total	78	2143	2221
	3.5%	96.5%	100.0%

⁴² We also fitted multilevel models fitting separate estimates for each region. For simplicity, we use a binary region predictor here which has very similar implications.

⁴³ Wald₁= 14.99, p < 0.001; Odds ratio (Exp β) = 2.30, corresponding to a 130% increase in likelihood

⁴⁴ Wald₁= 76.42, p < 0.001; Odds ratio (Exp β) = 2.48, corresponding to a 148% increase in likelihood

⁴⁵ Compared to having a contract throughout.

For firms outside London, contract changes do not disproportionately advantage or disadvantage black and minority ethnic firms⁴⁶ (see Table 4.4). For London, twice as many firms overall no longer held contracts, regardless of ethnicity. Regardless of whether black and minority ethnic firms lose a higher percentage of contracts in London, the fact that twice as many firms no longer hold contracts is enough to produce a significant difference⁴⁷. However, while there are clearly higher percentages of firms no longer holding contracts in London, this does not fully explain the differences between white British and black and minority ethnic owned firms. The data in Table 4.3 (London only) suggest that the 10.2% of firms no longer holding contracts in London is not consistent between white British and black and minority ethnic firms. 13.4% of black and minority ethnic firms no longer held contracts in London, compared to 7.8% of white British owned and controlled firms. This result alone was not statistically significant⁴⁸, but did contribute to the overall discrepancy between black and minority ethnic and white owned and controlled firms.

4.3 Contract Type

Equally, changes in contract types between the two periods can also explain differences between white British and black and minority ethnic firms in maintaining contracts. Numbers of certain types of contract were significantly reduced between 2003-2004 and 2004-2005. Moreover, certain types of contract have a far higher percentage of black and minority ethnic ownership and control. If these two contract types correspond, the result is likely to be a disproportionate percentage of black and minority ethnic firms no longer holding contracts (as we saw in Table 4.1). Table 4.5 shows the number contracts awarded in each specific category in 2003-2004 and 2004-2005, along with numerical and percentage decrease for each of these categories. The final column shows the percentage of black and minority ethnic ownership and control for each contract category⁴⁹. This column allows assessment of where numerical increases/decreases are likely to have the greatest impact upon ethnicity. For example, decreases in immigration are likely to have a greater impact upon black and minority ethnic firms than decreases in matrimonial.

⁴⁶ $\chi^2_1 = 0.14$, $p = 0.71$.

⁴⁷ For example, if we manipulate the London figures from Table 4.3 so both black and minority ethnic and white owned and controlled firms had 10.2% no longer holding contracts and combine these figures with unchanged data from outside London, black and minority ethnic firms would still have significantly higher percentage no longer holding contracts; $\chi^2_1 = 5.38$, $p = 0.02$.

⁴⁸ $\chi^2_1 = 3.09$, $p = 0.08$, using data from London alone. Also, see logistic regression output in Appendix G and H.

⁴⁹ Again, made up of merged equal opportunities data from 2003 and 2004 exercises.

Table 4.5. Changes in contract types (numerical and percentage) between 2003-2004 and 2004-2005 and the percentage of black and minority ethnic ownership and control for each contract type.

Contract type	2003-2004	2004-2005	Numerical decrease	Percentage decrease	Percentage bme owned/controlled
Actions against police	78	76	2	2.6	12.5
Community Care	58	67	-9	-15.5	14.7
Consumer	68	48	20	29.4	13.0
Debt	419	394	25	6.0	9.8
Education	58	58	0	0.0	12.5
Employment	264	233	31	11.7	8.9
Housing	598	588	10	1.7	20.3
Immigration asylum	508	390	118	23.2	56.2
Immigration other	581	474	107	18.4	56.0
Matrimonial	3265	3103	162	5.0	5.4
Medical negligence	12	3	9	75.0	0.0
Mental health	319	305	14	4.4	7.3
Personal injury	13	3	10	76.9	0.0
Public Law	35	39	-4	-11.4	10.5
Tolerance	2854	2111	743	26.0	7.4
Welfare benefits	506	471	35	6.9	20.6

Some of the greatest decreases in the number of contracts awarded were in immigration work categories. Since the majority of firms who held immigration contracts were black and minority ethnic owned and controlled, this would have resulted in a higher proportion of such firms no longer holding contracts.

4.4 Immigration

As can be seen in Table 4.5, the number and percentage of immigration contracts decreased markedly between 2003-2004 and 2004-2005. Furthermore, over 50% of immigration firms are black and minority ethnic owned and controlled. Table 4.6 restricts data to those with an immigration contract in 2003-2004⁵⁰, and examines whether the percentage no longer holding contracts differed between white British and black and minority ethnic owned and controlled firms. Table 4.7 splits these data into 'London' and 'all other regions'.

Table 4.6. Numbers and Percentages of firms with immigration contracts in 2003-2004 who continued to hold a contract, or no longer held a contract in 2004-2005⁵¹, by broad ethnicity of ownership/control.

	Black and Minority Ethnic	White British	Total
Contract held throughout	140	123	263
	53.2%	46.8%	100.0%
Contract no longer held	21	4	25
	84.0%	16.0%	100.0%
Total	161	127	288
	55.9%	44.1%	100.0%

⁵⁰ 'Asylum' or 'Other'

⁵¹ Firms falling into 'contract no longer held' held no contract of any kind in 2004-2005.

Overall, black and minority ethnic firms with immigration contracts in 2003-2004 were significantly more likely than white British owned and controlled firms to no longer hold a contract of any kind in 2004-2005⁵². Thirteen percent of black and minority ethnic owned and controlled firms no longer held a contract, compared to around three percent of white British firms. Differences remained when splitting the data into 'London' and 'all other regions' (see Table 4.7) though they were no longer significant, partly due to smaller numbers and partly due to regional differences⁵³. In London, fourteen percent of black and minority ethnic owned and controlled firms no longer held a contract, compared to around four percent of white British firms. Outside London, these figures were around seven and two and a half percent respectively⁵⁴.

Table 4.7. Numbers and Percentages of firms with immigration contracts in 2003-2004 who continued to hold a contract, or no longer held a contract in 2004-2005, by broad ethnicity of ownership/control and split into 'London' and 'all other regions'.

LONDON			
	Black and Minority Ethnic	White British	Total
Contract held throughout	115	44	159
	72.3%	27.7%	100.0%
Contract no longer held	19	2	21
	90.5%	9.5%	100.0%
Total	134	46	288
	74.4%	25.6%	100.0%
ALL OTHER REGIONS			
Contract held throughout	25	79	104
	24.0%	76.0%	100.0%
Contract no longer held	2	2	4
	50.0%	50.0%	100.0%
Total	27	81	108
	25.0%	75.0%	100.0%

4.5 Other Contract Types (Excluding Immigration)

We also examined contract changes having removed all firms that held an immigration contract (asylum or other) in 2003-2004. The aim was to establish whether differences between white British and black and minority ethnic firms remained, once immigration had been removed (and having accounted for regional differences). Table 4.8 restricts data to firms not holding an immigration contract in 2003-2004 and examines whether there were percentage no longer holding contracts differs between white British and black and minority ethnic owned and controlled firms. Table 4.9 splits these data into 'London' and 'all other regions'.

⁵² $\chi^2_1=8.77, p=0.003$.

⁵³ As before, London had both higher rates of black and minority ethnic firms and more firms no longer holding contracts. Around 75% of the London Immigration firms were Black and minority ethnic owned and controlled compared to around 25% elsewhere. In London, just over 7% of these immigration firms no longer held any contract in 2004-2005, compared to just under 4% elsewhere.

⁵⁴ Though these figures were based on small numbers.

Table 4.8. Numbers and Percentages of firms not holding immigration contracts⁵⁵ in 2003-2004 who continued to hold a contract, or no longer held a contract in 2004-2005, by broad ethnicity of ownership/control.

	Black and Minority Ethnic	White British	Total
Contract held throughout	102	2154	2256
	4.5%	95.5%	100.0%
Contract no longer held	9	119	128
	7.0%	93.0%	100.0%
Total	111	2273	2384
	4.7%	95.3%	100.0%

While black and minority ethnic firms were marginally more likely than white British firms to no longer hold a contract in 2004-2005, having removed those holding immigration contracts, this difference was not statistically significant⁵⁶. If we split data by region, the difference is further diluted, with clearly non-significant differences both within⁵⁷ and outside⁵⁸ London.

Table 4.9. Numbers and Percentages of firms not holding immigration contracts in 2003-2004 who continued to hold a contract, or no longer held a contract in 2004-2005, by broad ethnicity of ownership/control, and split into 'London' and 'all other regions'.

LONDON			
	Black and Minority Ethnic	White British	Total
Contract held throughout	53	193	246
	21.5%	78.5%	100.0%
Contract no longer held	7	18	25
	28.0%	72.0%	100.0%
Total	60	211	271
	22.1%	77.9%	100.0%
ALL OTHER REGIONS			
Contract held throughout	49	1961	2010
	2.4%	97.6%	100.0%
Contract no longer held	2	101	103
	1.9%	98.1%	100.0%
Total	51	2062	2113
	2.4%	97.6%	100.0%

4.6 Size of firm

If we examine the size of firm⁵⁹ of those holding contracts throughout and those no longer holding contracts, we find firms no longer holding contracts are typically smaller. Those no longer holding contracts had a mean of 6.6 fee earners and a median of 5⁶⁰, compared to a mean of around 9.5 and a median of 6 for those with

⁵⁵ But holding a contract of at least one other type.

⁵⁶ $\chi^2_1 = 1.72$, $p = 0.19$.

⁵⁷ $\chi^2_1 = 0.55$, $p = 0.61$.

⁵⁸ $\chi^2_1 = 0.10$, $p = 1.00$.

⁵⁹ Based on number of fee earners.

⁶⁰ Based on 151 firms with valid size of firm data.

contracts throughout⁶¹. Interestingly, the size of a small number of firms introduced to the scheme (i.e. no contract in 2003-2004) was small compared to that of those firms no longer holding contracts. These new introductions had a mean of 6.8 fee earners and a median of only 3.5⁶². Further statistics for new introductions, those no longer holding a contract and those holding a contract throughout can be found in Table 4.10.

Table 4.10. Size of firm (based on number of fee earners) by contract status.

Contract status			Statistic	Std. Error
Introductions	Mean		6.8	1.6
	95% CI	Lower Bound	3.4	
		Upper Bound	10.1	
	5% Trimmed Mean		5.6	
	Median		3.5	
	Std. Deviation		7.9	
	Maximum		32.0	
Interquartile Range		5.5		
Contract no longer held	Mean		6.6	0.5
	95% CI	Lower Bound	5.7	
		Upper Bound	7.5	
	5% Trimmed Mean		5.9	
	Median		5.0	
	Std. Deviation		5.6	
	Maximum		34.0	
Interquartile Range		5.0		
Contract held throughout	Mean		9.5	0.3
	95% CI	Lower Bound	8.9	
		Upper Bound	10.0	
	5% Trimmed Mean		7.6	
	Median		6.0	
	Std. Deviation		14.6	
	Maximum		330.0	
Interquartile Range		7.0		

The net result of both introductions, and those no longer holding contracts was small, since the majority of firms held contracts throughout. Overall, firms with a contract in 2003-2004 had a mean size of 9.3 fee earners and a median of 6, compared to a mean of 9.4 and median of 6 for all firms holding any contract in 2004-2005.

4.7 Modelling

We fitted a binary logistic regression model to simultaneously assess the impact of region, ethnicity, immigration contract status and size of firm upon likelihood of no longer holding a contract in 2004-2005 (compared to holding a contract throughout). The dependent variable was whether a contract was no longer held versus cases where a contract was held throughout. Binary predictors were London versus all other regions, black and minority ethnic versus white British owned or controlled and

⁶¹ Based on 2504 firms with valid size of firm data.

⁶² Based on a small sample of 24 firms with valid size of firm data.

immigration contract (asylum or other) versus no immigration contract. Size of firm, again based on number of fee earners was fitted as a continuous covariate.

Having entered these predictors, we found that immigration contract had little influence upon the likelihood of no longer holding a contract and ethnicity of ownership or control was non-significant. This left size of firm and London vs. all other regions, both of which had a significant effect upon likelihood of no longer holding a contract (vs. holding a contract throughout). As firms grew smaller, they became increasingly likely to no longer hold a contract. Moreover, London firms were significantly more likely than firms elsewhere to no longer hold a contract. Having controlled for these two predictors, neither ethnicity of ownership or control, or whether firms held immigration contracts or not had a significant impact. Brief output from this analysis can be found in Appendix H.

4.8 2003 review of immigration services in London

A review of the need for immigration services on a national basis was conducted in the summer of 2003.

The exercise suggested that there were 334 solicitors' offices in London with an immigration contract, compared with only 173 in the whole of the rest of England and Wales. Given emerging evidence of the continued decline in numbers of asylum seekers, the exercise suggested that the current number of matter starts awarded in contract schedules issued for April 2003 was far in excess of need. The exercise went on to suggest that nearly all of the excess would be in London (approximately 96%) and highlighted the need for a 44% reduction in matter starts in London. This translated to an aimed reduction of approximately one third of the immigration supply base within London.

In the present study, there were 180 London firms holding an immigration contract⁶³ in 2003-2004, compared to 138 in 2004-2005⁶⁴. This represents a 23% reduction in immigration supply in London. Of those firms with an immigration contract in 2003-2004, 74.4% were black and minority ethnic owned or controlled. Of those firms with an immigration contract in 2004-2005, 71.0% were black and minority ethnic owned or controlled. Of those who held an immigration contract in 2003-2004, but no longer held an immigration contract in 2004-2005, 82.6% were black and minority ethnic owned or controlled. Table 4.11 compares the ethnicity of those who held an immigration contract throughout to those firms no longer holding a contract in 2004-2005.

⁶³ Asylum or other.

⁶⁴ Of those where we hold data on the ethnicity of those with ownership and control.

Table 4.11. Ethnicity of majority ownership or control of firms holding immigration contracts in 2003-2004 and 2004-2005 and those no longer holding immigration contracts in 2004-2005.

	Black and Minority Ethnic	White British	Total
Contract no longer held	38	8	46
	82.61%	17.39%	100.00%
Contract held throughout	96	38	134
	71.64%	28.36%	100.00%
Total	134	46	180
	74.44%	25.56%	100.00%

There were a greater percentage of black and minority ethnic owned or controlled firms amongst those no longer holding immigration contracts in 2004-2005, though due to the relatively small numbers involved, this difference was not statistically significant⁶⁵. The impact of the differences shown in Table 4.11 and the review as a whole are discussed in section 4.8.1.

4.8.1 Impact of changes

If the only change between 2003-2004 and 2004-2005 were the complete removal of the 46 London firms who held immigration contracts, the overall impact (in England and Wales) on ethnicity would be a reduction from 10.2% of firms with black and minority ownership or control in 2003-2004 to 8.9% in 2004-2005. If we were to remove a random sample of 46 London immigration firms, the reduction would be comparable (10.2% to 9.1%). This slightly smaller reduction is a consequence of the marginally higher percentage of black and minority ethnic owned and controlled London firms amongst those no longer holding immigration contracts (see Table 4.11).

Importantly though, over a third of firms no longer holding immigration contracts retained a contract of some type so the overall. If we remove only those London firms who had immigration contracts in 2003-2004, who held no contract of any kind in 2004-2005, the overall impact is a reduction in black and minority ethnic ownership or control from 10.2% to 9.5%.

The observed reduction in black and minority ethnic ownership or control was from 10.2% in 2003-2004 to 9.7% in 2004-2005.

4.9 Summary

Changes to contracts between 2003-2004 and 2004-2005 had a disproportionate effect upon black and minority ethnic firms, who were significantly more likely than white British firms to no longer hold contracts in 2004-2005. Some of this discrepancy was explained by general differences between regions and specifically, the far greater tendency for London firms to no longer hold contracts in 2004-2005.

An Investigation into which types of contract became less common in 2004-2005 suggested that the greatest decrease in the number and percentage of contracts awarded was in the immigration work category. As the majority of immigration firms

⁶⁵ A chi-squared test of the 2X2 table 4.11 showed no significant differences; $\chi^2_1 = 2.17$, $p = 0.17$.

have black and minority ethnic ownership and control this will also have contributed to the disproportionate effect of contract changes on black and minority ethnic owned or controlled firms.

An examination of firms with immigration contracts suggested that those who no longer held a contract in 2004-2005 were significantly more likely to be black and minority ethnic owned and controlled. When the data were split by region (into London and all other regions) the finding was no longer statistically significant (partly as results were skewed by greater reduction in contracts in London). However, the percentage of Immigration firms no longer holding contracts was higher for black and minority ethnic firms both in and outside London. When we examined firms that did not hold immigration contracts in 2003-2004 and compared those holding a contract in 2004-2005 with those no longer holding a contract we found no significant difference between white British and black and minority ethnic firms. When the data were split by region (London vs. elsewhere) differences were diluted still further.

Firms that lost or gave up contracts in 2004-2005 tended to be smaller (on the basis of the number of fee earners) than others, although interestingly, this was also the case for those firms gaining new contract in 2004-2005. The net impact of contract changes on overall size was, however, negligible, since the vast majority of firms held contracts throughout both 2003-2004 and 2004-2005.

When we modelled the likelihood of firms no longer holding a contract in 2004-2005 (compared to holding a contract through both 2003-2004 and 2004-2005) on the basis of region, ethnicity, immigration contract status and size of firm we found that as firms grew smaller they became increasingly likely to no longer hold a contract. Moreover, London firms were significantly more likely than firms elsewhere to no longer hold a contract. Having controlled for these two predictors, neither ethnicity of ownership or control, or whether firms held immigration contracts or not had a significant impact.

Examining the impact of changes to immigration services in London showed that while overall reductions in black and minority ethnic ownership and control were inevitable, these reductions were smaller than might be expected, suggesting modest increases elsewhere.

It should be noted, that while this section assesses the impact of contract changes that have already taken place, the models developed could equally be used to assess the potential impact of new changes to the contracting schemes.

5. Audit Category

This chapter looks at the profile of firms in each of three cost audit categories. The audit categories are based on the ratings given to contracted suppliers following a Cost Compliance Audit (CCA). The CCA involves the review of a representative sample of a supplier's files, stratified according to the number of completed files during the period reviewed per category of law the suppliers were contracted to carry out, for compliance with the contract rules and the general principles of cost assessment. Depending upon the performance of a supplier during a CCA, they are assigned a category ranging from 1-3. The categories are determined by measuring 'actual' reductions (assessed through the CCA) to the total amount claimed by a supplier in the following way:

- Category 1: Assessment off by up to 10%.
- Category 2: Assessment off by more than 10% and up to 20%.
- Category 3: Assessment off by more than 20%.

For the purpose of analysis, audit category information extracted from the LSC's Audit Performance System was merged into the equal opportunities dataset using the common supplier account number⁶⁶.

5.1 Ethnicity

To establish the ethnic profile of firms in different audit categories we looked at those firms for which we had both audit category information and details of ethnicity of majority ownership or control in either the 2003 or 2004 equal opportunities datasets. Those who did not supply ethnicity data for ownership and control and those who did not enter their contract number on the equal opportunities monitoring form were excluded, as this prevented audit category data from being matched. We looked at firms overall, for London only and for England and Wales excluding London. We also looked separately at all suppliers except those with immigration contracts (both for London and all areas except London) and for suppliers with an immigration contract (again split into London and all areas except London).

5.1.1 Overall

Overall, 125 of 1149 eligible firms (10.9%) were black and minority ethnic owned or controlled. Table 5.1 breaks these firms down by ownership or control and audit category.

⁶⁶ Much of this section replicates recent work on the impact of audit category on civil suppliers with a majority of black and minority ethnic ownership or control. Some figures may differ slightly, as the current section uses a combination of 2003 and 2004 LSRC equal opportunities data.

Table 5.1. Audit category split by ethnicity of ownership or control.

Ownership/control	Audit Category				Total
	No Audit	Category 1	Category 2	Category 3	
Black and minority ethnic	18	35	39	33	125
	14.4%	28.0%	31.2%	26.4%	100%
White British	87	574	246	117	1024
	8.5%	56.1%	24.0%	11.4%	100%
Total	104	609	285	150	1149
	9.1%	53.0%	24.8%	13.1%	100%

There were highly significant differences in audit category between black and minority ethnic and white British owned or controlled firms⁶⁷. Significant differences were primarily a result of far fewer black and minority ethnic firms being in category one and far more in category three compared to white British firms.

5.1.2 London only

222 eligible firms were located in London, of which 90 (40.5%) were black and minority ethnic owned or controlled. Table 5.2 breaks these 222 firms down by ownership or control and audit category.

Table 5.2. Audit category of white British and black and minority owned or controlled firms in London.

Ownership/control	Audit Category				Total
	No Audit	Category 1	Category 2	Category 3	
Black and minority ethnic	12	18	33	27	90
	13.3%	20.0%	36.7%	30.0%	100%
White British	24	36	48	24	132
	18.2%	27.3%	36.4%	18.2%	100%
Total	36	54	81	51	222
	16.2%	24.3%	36.5%	23.0%	100%

As with the contract changes detailed in chapter 4, London firms fared far worse; the net result being a disproportionate effect upon black and minority ethnic firms who are well represented in London. Overall, we observed more category three firms in London and far less category one firms. Again, as with the overall results in Table 5.1, there were more category three and fewer category one black and minority ethnic owned or controlled firms. Differences across all four categories were not statistically significant⁶⁸, though if we analyse only category three (vs. all other categories combined) there were significantly more category threes among black and minority ethnic firms⁶⁹.

⁶⁷ A chi-squared test applied to the 2 X 4 contingency showed highly significant differences; $\chi^2_3 = 42.24$, $p < 0.001$.

⁶⁸ Again using a 2 X 4 contingency table; $\chi^2_3 = 5.19$, $p = 0.16$.

⁶⁹ Using a collapsed 2 X 2 table; $\chi^2_2 = 4.22$, $p = 0.04$.

Evidently, the particularly high rate of firms being placed in category three in London will have a disproportionate impact upon black and minority ethnic suppliers, in the same way that London contract changes were reported to have done in chapter 4 (e.g. see Table 4.3 and 4.4).

5.1.3 England and Wales, excluding London

Of eligible firms in England and Wales (excluding London), 35 were black and minority ethnic owned or controlled. Table 5.3 breaks these 927 firms down by ownership or control and audit category.

Table 5.3. Audit category of white British and black and minority owned or controlled firms outside London.

Ownership/control	Audit Category				Total
	No Audit	Cat. 1	Cat. 2	Cat. 3	
BME	6	17	6	6	35
	17.1%	48.6%	17.1%	17.1%	100%
White British	63	538	198	93	892
	7.1%	60.3%	22.2%	10.4%	100%
Total	69	555	204	99	927
	7.4%	59.9%	22.0%	10.7%	100%

In general, category 1 was far more common and category three far less common outside London (see Table 5.2). However, as with overall data (Table 5.1) and London only data (Table 5.2), black and minority ethnic firms continued to have a greater percentage of category three and lesser percentage of category one classification. Differences were close to significance,⁷⁰ though this was primarily a result of more black and minority ethnic firms receiving 'no audit'.

5.1.4 London only (removing firms with an immigration contract)⁷¹

When we removed firms with immigration matter starts there were 136 London firms, 25 of which were black and minority ethnic owned or controlled. Table 5.4 breaks these 136 firms down by ownership or control and audit category.

Table 5.4. Audit category of white British and black and minority owned or controlled firms in London and with no immigration contract.

Ownership/control	Audit Category				Total
	No Audit	Cat. 1	Cat. 2	Cat. 3	
BME	9	6	6	4	25
	36.0%	24.0%	24.0%	16.0%	100%
White British	23	27	40	21	111
	20.7%	24.3%	36.0%	18.9%	100%
Total	32	33	46	25	136
	23.5%	24.3%	33.8%	18.4%	100%

⁷⁰ $\chi^2_3 = 7.19, p = 0.06$.

⁷¹ Where 'immigration' is examined individually, or excluded, this is done on the basis of firms with immigration contracts in either 2003-2004 or 2004-2005 (asylum or other).

Having removed those firms holding an immigration contract, there was little difference in the percentages of firms in each audit category between black and minority ethnic and white British firms.

5.1.5 England and Wales, excluding London (removing firms with an immigration contract)

Removing firms with immigration matter starts outside London 875 firms, 24 of which were black and minority ethnic owned/controlled. Table 5.5 breaks these 875 firms down by ownership or control and audit category.

Table 5.5. Audit category of white British and black and minority owned or controlled firms outside London and with no immigration contract.

Ownership/control	Audit Category				Total
	No Audit	Category 1	Category 2	Category 3	
Black and minority ethnic	5	11	4	4	24
	20.8%	45.8%	16.7%	16.7%	100%
White British	61	513	192	85	851
	7.2%	60.3%	22.6%	10.0%	100%
Total	66	524	196	89	875
	7.5%	59.9%	22.4%	10.2%	100%

There were significant differences between black and minority ethnic and white British owned or controlled firms, though this, as with Table 5.3, was primarily a result of fewer black and minority ethnic firms receiving audits. Black and minority ethnic firms were not significantly more likely than white firms to belong to category 3⁷².

5.1.6 Immigration only – in and outside London

As can be seen from Table 5.6, the majority of firms holding immigration contracts were inside London. Overall, these London immigration firms were far more likely to belong to category three. However, this was particularly so for black and minority ethnic owned and controlled firms. However, due to the small numbers involved, this within London difference was not statistically significant.

⁷² Collapsing the 2X 4 to a 2X2 table comparing category 3 to all other categories for white British and black and minority ethnic firms showed no differences; $\chi^2_1 = 1.14$, $p = 0.30$.

Table 5.6. Audit category of white British and black and minority owned or controlled immigration firms⁷³ both within and outside London.

LONDON		Audit Category				Total
Ownership/control	No Audit	Category 1	Category 2	Category 3		
Black and minority ethnic	3	12	27	23	65	
	4.6%	18.5%	41.5%	35.4%	100%	
White British	1	9	8	3	21	
	4.8%	42.9%	38.1%	14.3%	100%	
Total	4	21	35	26	86	
	4.7%	24.4%	40.7%	30.2%	100%	
OUTSIDE LONDON		Audit Category				Total
Ownership/control	No Audit	Category 1	Category 2	Category 3		
Black and minority ethnic	1	6	2	2	11	
	9.1%	54.5%	18.2%	18.2%	100%	
White British	2	25	6	7	40	
	5.0%	62.5%	15.0%	17.5%	100%	
Total	3	31	8	9	51	
	5.9%	60.8%	15.7%	17.6%	100%	

5.1.7 Modelling

We fitted a binary logistic regression model, predicting incidence of category three (vs. all other groups combined) with three binary and one continuous predictor. The binary predictors were whether an immigration contract was held or not, whether firms were in London or elsewhere and whether firms had black and minority ethnic or white British ownership or control. The continuous predictor used was size of firm, based on the number of fee earners. We used backward elimination, so the final parsimonious model contains only those predictors that have a significant impact upon a firm rating category three. Output for this model can be found in Appendix G.

Size has little impact upon the likelihood of being audited as category three and is removed from the model. Similarly, ethnicity of ownership or control is also removed, leaving both London firms and those with immigration contracts both significantly more likely to receive a category three audit. As indicated by its removal and absence in the final parsimonious model, ethnicity of ownership and control is not a significant predictor of category three audits, once immigration contracts and regional differences have been controlled for.

5.2 Gender

Table 5.7 shows audit category, broken down by the gender of the majority of those with ownership or control of firms. Female owned or controlled firms were more prominent among those not receiving an audit, and among category 2 firms. There were fewer female owned or controlled firms among category 1 firms, though male and female firms were very similar in the proportion with audit category 3.

⁷³ i.e. holding an immigration contract (asylum or other).

Table 5.7. Audit category split by gender of majority ownership or control.

	No Audit	Cat 1	Cat 2	Cat 3	Total
Male	62	436	185	100	783
	7.9%	55.7%	23.6%	12.8%	100%
Female	22	70	52	23	167
	13.2%	41.9%	31.1%	13.8%	100%
Total	84	506	237	123	950
	8.8%	53.3%	24.9%	12.9%	100%

5.3 Disability

Of a small number of firms with a majority of long-term ill or disabled ownership or control, the majority (80%) were category one and the remainder (20%) category two. However, numbers were too small to draw any meaningful conclusions.

5.4 Age

Table 5.8 shows audit category split by the age group of those with majority ownership or control. Age groups were fairly consistent in terms of the percentage appearing in each audit category.

Table 5.8. Audit category split by age group of ownership or control.

Age Group	No Audit	Category 1	Category 2	Category 3	Total
25-34	8	13	6	4	31
	25.8	41.9	19.4	12.9	100
35-49	60	293	144	79	576
	10.4	50.9	25.0	13.7	100
50-59	24	220	101	47	392
	6.1	56.1	25.8	12.0	100
60-64	3	8	6	2	19
	15.8	42.1	31.6	10.5	100
65-69	1	3	1	0	5
	20.0	60.0	20.0	0.0	100
70+	0	2	0	0	2
	0.0	100.0	0.0	0.0	100
Total	96	539	258	132	1025
	9.4	52.6	25.2	12.9	100

5.5 Summary

Overall, black and minority ethnic owned or controlled firms were more likely to receive category three audits. This trend remained both in and outside London. However, much of the difference was explained by removing immigration firms. Though numbers were small, looking at those holding immigration contracts alone seemed to suggest black and minority ethnic firms received more category three audits in London, though this was not statistically significant.

When we modelled the likelihood of firms receiving category three audits on the basis of firm size, whether an immigration contract was held or not, whether the firm was in London or elsewhere and whether the firm had black and minority ethnic or white British ownership or control we found that firm size was of little consequence. Further, ethnicity of ownership and control was not a significant predictor of whether firms received category three audits once immigration contract status and regional differences were controlled for. Holding an immigration contract and being based in London were the strongest predictors.

Beyond ethnicity, there were some differences between male and female owned or controlled firms, though not in terms of whether firms received category three audits. There were too few disabled firms to draw meaningful conclusions and there were no differences in category profiles across different age groups.

6. Summary and Details of Future Work

6.1 Overall Summary

A comparison with the 2000 equal opportunities monitoring exercise indicated that the proportion of black and minority ethnic fee earners has risen. The percentage of firms with no black and minority ethnic fee earners has gone down. These findings indicate both increased representation of black and minority ethnic fee earners and increasingly ethnically diverse firms. Importantly, black and minority ethnic fee earners are now significantly more likely to be solicitors, and the ratio of solicitors to non-solicitors is now similar for white British and black and minority ethnic fee earners. This indicates successful progression of black and minority ethnic fee earners within firms. There was a modest increase in the proportion of firms with black and minority ethnic ownership or control.

Black and minority ethnic fee earners continue to be more common in smaller firms, highlighting the potential impact that changes in the proportions of firms of different sizes receiving legal aid contracts could have on the representation of minority groups within legal aid firms.

Elsewhere, there has been a rise in the proportion of female fee earners, who now outnumber males. However, this change is in large part attributable to the number of female non-solicitor fee earners.

Disabled and long-term ill fee earners were rare.

Both black and minority ethnic and female solicitor fee earners were better represented in the LSRC dataset than the Law Society REGIS dataset. This confirms that legal aid practitioners are more diverse than the profession as a whole.

Overall, 'criminal only' (compared to 'civil only' and 'civil and criminal') firms were more likely to have black and minority ethnic ownership or control and have more black and minority ethnic solicitor fee earners. Female ownership and control was less common in 'criminal only' firms. Again, long-term ill or disabled fee earners were rare in 'criminal only' firms.

Differences in the makeup of criminal and civil firms highlight the need to consider the potential impact that any shift in the balance between civil and criminal legal aid firms could have upon representation of minority groups.

Changes to contracts between 2003-2004 and 2004-2005 had a disproportionate effect upon black and minority ethnic firms, who were significantly more likely than white British firms to no longer hold contracts in 2004-2005. Some of this discrepancy was explained by general differences between regions and specifically, the far greater tendency for London firms to no longer hold contracts in 2004-2005.

An Investigation into which types of contract became less common in 2004-2005 suggested that the greatest decrease in the number and percentage of contracts awarded was in the immigration work category. As the majority of immigration firms have black and minority ethnic ownership and control this will also have contributed to the disproportionate effect of contract changes on black and minority ethnic owned or controlled firms.

Changes to contracts between 2003-2004 and 2004-2005 had a disproportionate affect upon black and minority ethnic firms, which were significantly more likely than white British firms to no longer hold contracts in 2004-2005 (see Table 4.1). Some of this discrepancy was explained by general differences between regions and specifically, the tendency to no longer hold a contract in 2004-2005 being more than twice as great in London than elsewhere (see Table 4.3). This, however, did not fully explain differences between white British and black and minority ethnic firms.

Firms that lost or gave up contracts in 2004-2005 tended to be smaller (on the basis of the number of fee earners) than others, although interestingly, this was also the case for those firms gaining new contract in 2004-2005. The net impact of contract changes on overall size was, however, negligible, since the vast majority of firms held contracts throughout both 2003-2004 and 2004-2005.

When we modelled the likelihood of firms no longer holding a contract in 2004-2005 (compared to holding a contract through both 2003-2004 and 2004-2005) on the basis of region, ethnicity, immigration contract status and size of firm we found that as firms grew smaller they became increasingly likely to no longer hold a contract. Moreover, London firms were significantly more likely than firms elsewhere to no longer hold a contract. Having controlled for these two predictors, neither ethnicity of ownership or control, or whether firms held immigration contracts or not had a significant impact.

Examining the impact of changes to immigration services in London showed that while overall reductions in black and minority ethnic ownership and control were inevitable, these reductions were smaller than might be expected, suggesting modest increases elsewhere.

Overall, black and minority ethnic owned or controlled firms were more likely to receive category three audits. This trend remained both in and outside London. However, much of the difference was explained by removing immigration firms. Though numbers were small, looking at those holding immigration contracts alone seemed to suggest black and minority ethnic firms received more category three audits in London, though this was not statistically significant.

When we modelled the likelihood of firms receiving category three audits on the basis of firm size, whether an immigration contract was held or not, whether the firm was in London or elsewhere and whether the firm had black and minority ethnic or white British ownership or control we found that firm size was of little consequence. Further, ethnicity of ownership and control was not a significant predictor of whether firms received category three audits once immigration contract status and regional differences were controlled for. Holding an immigration contract and being based in London were the strongest predictors.

Beyond ethnicity, there were some differences between male and female owned or controlled firms, though not in terms of whether firms received category three audits. There were too few disabled firms to draw meaningful conclusions and there were no differences in category profiles across different age groups.

6.2 Future Work

In line with the LSC's statutory duty to carry out equal opportunities monitoring⁷⁴, the LSRC's monitoring will continue to be conducted annually. However, due to changes in the LSC's supplier base, and the importance of the LSRC's reports, it has become necessary to make certain changes to the methods of routine data collection. These changes are being made in response to some of the problems outlined in this report; specifically the low response rate to the equal opportunities survey and the difficulty respondents have experienced in completing monitoring forms.

6.2.1 The new global equal opportunities monitoring form⁷⁵

As part of the revised monitoring protocols, the monitoring forms have been redesigned.⁷⁶ First, sector specific forms are to be replaced by a global form. This will be used to gather comparable information about contracted solicitors, contracted not-for-profit suppliers and other non-contracted quality marked organisations (though Quality Marked Barristers chambers will still have a separate form).

The global form has been designed to reduce complexity. The global form asks for information only in numerical form. It thus avoids shifting between questions about the 'majority of persons' with ownership or control of organisations to questions about the number of staff in different categories. The more numerical approach also avoids problems where there is no clear majority of people with ownership or control.

As a consequence of the changes made, the form is now two rather than one page long. The additional length enables the form to address different types of organisation, and also to be more clearly set out.

6.2.2 Methodology and protocol

Unlike previous years, where the LSRC's monitoring exercise has utilised a stand alone survey, future monitoring will utilise the Community Legal Service (CLS) Directory survey. This is sent out annually to all contracted and Quality Marked organisations.

The CLS Directory survey is currently conducted by the Resource Information Service (RIS), a not-for-profit service that provides database support to charities and other not-for-profit advice services. The survey questionnaires are sent out in two rounds per year (preliminary dates for the rounds are November and February of each year). Upon completion of the questionnaire by respondents, the forms are returned to RIS and inputted into a database. Data gathered from the Equal Opportunities monitoring questionnaire will be recorded on a separate linked database that will have a greater degree of access restriction to the rest of the CLS Directory questionnaire.⁷⁷

Unlike with past surveys, RIS will conduct repeated follow-up exercises where questionnaires are not returned by suppliers. This should ensure response rates improve markedly in future. RIS also contact any new organisations that may join the CLS after either round of the CLS Directory questionnaire survey, and are able to

⁷⁴ As outlined by the Race Relations Act (1976), s.71 as amended by the Race Relations (Amendment) Act (2000).

⁷⁵ See Appendix B for a draft version of the 'Global' Monitoring form to be used in future.

⁷⁶ See Appendix A for a current version of the form (sent out to Contracted suppliers only).

⁷⁷ The CLS Directory questionnaire is itself password restricted. The Equal Opportunities data will go beyond this limiting access to LSRC members and database administrators only.

make subsequent amendments to data held about an organisation where that organisation's circumstances have changed.

In summary, the key advantages of utilising the CLS Directory survey are:

- All contracted and Quality Marked organisations will be monitored every year, rather than a subset of organisations.
- Data collection for the LSRC monitoring exercises will be automated.
- The response rate of surveys is likely to increase greatly.
- By incorporating the Equal Opportunities form into the CLS Directory questionnaire, suppliers will have one less form to fill in. The administrative burden on suppliers will also be reduced by merging civil and criminal supplier monitoring.
- The CLS Directory database holds additional supplier information, including information on access to the supplier, target groups, services offered (e.g. access to interpreters) and accurate information of areas of work and level of delivery (e.g. specialist level, general Help, etc). This will allow examination of a broader range of additional issues.

Appendices

Appendix A. The current equal opportunities monitoring form (next page)

1. LSC Account Number:

FIRM OWNERSHIP AND CONTROL

2. How would you classify *the majority of persons* with ownership and control of your firm or organisation? (please circle where appropriate)

Aged Between	Male			Female			
	18-24	25-34	35-49	50-59	60-64	65-70	70+
White			Irish		Other (please specify) _____		
MIXED	White/Black Caribbean		White/Black African		White/Asian	Other (please specify) _____	
ASIAN / ASIAN BRITISH	Indian		Pakistani		Bangladeshi	Other (please specify) _____	
Black / Black British	Black Caribbean		Black African		Other (please specify) _____		
CHINESE OR OTHER	Chinese						

Do the majority of persons with ownership and control of your organisation have any long-term illness, health problem or disability that limits their daily activities or work they can do? Yes No

FEE-EARNER TYPE: SOLICITOR

3. What numbers of solicitor fee-earners (those whose time is chargeable direct to your clients) in your office are?

Aged Between	Male _____			Female _____			
	18-24	25-34	35-49	50-59	60-64	65-70	70+
White			Irish _____		Other (please specify) _____		
MIXED	White/Black C'bbean _____		White/Black African _____		White/Asian _____	Other (please specify) _____	
ASIAN / ASIAN BRITISH	Indian _____		Pakistani _____		Bangladeshi _____	Other (please specify) _____	
Black / Black British	Black Caribbean _____		Black African _____		Other (please specify) _____		
CHINESE OR OTHER	Chinese _____						

What numbers have any long-term illness, health problem or disability that limits their daily activities or work they can do? _____

FEE-EARNER TYPE: NON-SOLICITOR

4. What numbers of non-solicitor fee-earners (those whose time is chargeable direct to your clients) in your office are?

Aged Between	Male _____			Female _____			
	18-24	25-34	35-49	50-59	60-64	65-70	70+
White			Irish _____		Other (please specify) _____		
MIXED	White/Black C'bbean _____		White/Black African _____		White/Asian _____	Other (please specify) _____	
ASIAN / ASIAN BRITISH	Indian _____		Pakistani _____		Bangladeshi _____	Other (please specify) _____	
Black / Black British	Black Caribbean _____		Black African _____		Other (please specify) _____		
CHINESE OR OTHER	Chinese _____						

What numbers have any long-term illness, health problem or disability that limits their daily activities or work they can do? _____

5. IN WHAT AREAS OF LAW DOES YOUR FIRM HOLD A CONTRACT? (please circle all that are applicable)

- | | | | | |
|----------|------------------|-----------------|----------------|----------------------------|
| CRIMINAL | CIVIL | | | |
| | Employment | Debt | Community Care | Consumer/General |
| | Contract | Housing | Immigration | Clinical Negligence |
| | Welfare Benefits | Mental Health | Education | Actions against the Police |
| | Family | Personal Injury | Public Law | |

Equal Opportunities Monitoring Form (SEE OVERLEAF)

Please return in the prepaid envelope enclosed

The opposite side of this letter is the **Legal Services Commission Equal Opportunities Monitoring Form**. The Legal Services Commission (LSC) aims to ensure that all sections of the community have access to quality legal services regardless of disability, ethnic origin, age or gender. With this objective in mind, the Legal Services Research Centre (LSRC) has conducted ethnic monitoring for contracted solicitors' firms since 2000. To date, three Equal Opportunities Reports have been published by the LSRC. Now, the LSRC is again collecting monitoring information from solicitors' firms to update its database.

Please provide details relating to only this office/section of your firm. Please do not include information relating to other sites that hold separate contracts with the LSC as these will receive a separate form.

We have provided a pre-addressed, freepost envelope for the return of your form. The data will be maintained and stored at the Legal Services Research Centre, and will not be made available to any person involved in any decision-making process affecting applications to the LSC of any description. All information disclosed to the Legal Services Research Centre is **strictly confidential**.

Completion of the form is voluntary and will have no bearing upon any decision relating to your relationship with the LSC. However, **your participation is important**, as the ability of the LSC to accurately monitor the profile of service providers and users depends upon the availability of full information.

If you have any queries regarding Equal Opportunities monitoring, or would like a free copy of our reports, please do not hesitate to contact me, either by phone, 020 7759 0453; e-mail, nigel.balmer@legalservices.gov.uk, or at the address below.

Thank you in advance for your co-operation and help in this matter.

Dr Nigel Balmer
Legal Services Research Centre
85 Gray's Inn Road
London
WC1X 8TX

Note, only the equal opportunities form should be returned in the prepaid envelope and not your contract

Appendix B. The current format of the new global equal opportunities monitoring form. The form avoids the use of questions regarding the 'majority' of employees belonging to a particular group and aims to be applicable to the majority of contracted organisations. (next page)

Equal Opportunities Monitoring

Please answer the following questions on the gender, age, ethnicity and illness/disabilities of your employees. The information provided will be kept in the strictest confidence, and shall only be used for the purposes of equal opportunities monitoring in accordance with the Race Relations Act (1976), s.71 as amended by the Race Relations (Amendment) Act (2000).

How many people are in **Control** of your **office**: of these, how many are:

White		Mixed		Asian/Asian British		Black/Black British		Chinese or other	
British	<input type="text"/>	White/Black Caribbean	<input type="text"/>	Indian	<input type="text"/>	Caribbean	<input type="text"/>	Chinese	<input type="text"/>
Irish	<input type="text"/>	White/Black African	<input type="text"/>	Pakistani	<input type="text"/>	African	<input type="text"/>	Other (Please specify)	<input type="text"/>
Other (Please specify)	<input type="text"/>	White/Asian	<input type="text"/>	Bangladeshi	<input type="text"/>	Other (Please specify)	<input type="text"/>		
		Other (Please specify)	<input type="text"/>	Other (Please specify)	<input type="text"/>				

Of those with **Control** of your **office**, how many are: **Male** **Female**

Of those with **Control** of your **office**, how many are aged between:
18-24 **25-34** **35-49** **50-59** **60-64** **65-70** **70+**

Of those with **Control** of your **office**, how many have a long-term illness, health problem or disability that limits their daily activity or the work they can do:

How many **Employees/Partners** who are **Solicitors** are there in your office: of these, how many are:

White		Mixed		Asian/Asian British		Black/Black British		Chinese or other	
British	<input type="text"/>	White/Black Caribbean	<input type="text"/>	Indian	<input type="text"/>	Caribbean	<input type="text"/>	Chinese	<input type="text"/>
Irish	<input type="text"/>	White/Black African	<input type="text"/>	Pakistani	<input type="text"/>	African	<input type="text"/>	Other (Please Specify)	<input type="text"/>
Other (Please Specify)	<input type="text"/>	White/Asian	<input type="text"/>	Bangladeshi	<input type="text"/>	Other (Please Specify)	<input type="text"/>		
		Other (Please specify)	<input type="text"/>	Other (Please Specify)	<input type="text"/>				

Of those **Employees/Partners** who are **Solicitors** in your office, how many are: **Male** **Female**

Of those **Employees/Partners** who are **Solicitors** in your office, how many are aged between:
18-24 **25-34** **35-49** **50-59** **60-64** **65-70** **70+**

Of those **Employees/Partners** who are **Solicitors** in your office, how many have a long-term illness, health problem or disability that limits their daily activity or the work they can do:

How many **Employees/Partners** who are **not Solicitors** are there in your office:
of these, how many are:

White		Mixed		Asian/Asian British		Black/Black British		Chinese or other	
British	<input type="text"/>	White/Black Caribbean	<input type="text"/>	Indian	<input type="text"/>	Caribbean	<input type="text"/>	Chinese	<input type="text"/>
Irish	<input type="text"/>	White/Black African	<input type="text"/>	Pakistani	<input type="text"/>	African	<input type="text"/>	Other (Please Specify)	<input type="text"/>
Other (Please Specify)	<input type="text"/>	White/Asian	<input type="text"/>	Bangladeshi	<input type="text"/>	Other (Please Specify)	<input type="text"/>		
		Other (Please specify)	<input type="text"/>	Other (Please Specify)	<input type="text"/>				

Of those **Employees/Partners** who are **not Solicitors** in your office, how many are: **Male** **Female**

Of those **Employees/Partners** who are **not Solicitors** in your office, how many are aged between:
18-24 **25-34** **35-49** **50-59** **60-64** **65-70** **70+**

Of those **Employees/Partners** who are **not Solicitors** in your office, how many have a long-term illness, health problem or disability that limits their daily activity or the work they can do:

How many **Volunteers** are there in your office: of these how many are:

White		Mixed		Asian/Asian British		Black/Black British		Chinese or other	
British	<input type="text"/>	White/Black Caribbean	<input type="text"/>	Indian	<input type="text"/>	Caribbean	<input type="text"/>	Chinese	<input type="text"/>
Irish	<input type="text"/>	White/Black African	<input type="text"/>	Pakistani	<input type="text"/>	African	<input type="text"/>	Other (Please Specify)	<input type="text"/>
Other (Please Specify)	<input type="text"/>	White/Asian	<input type="text"/>	Bangladeshi	<input type="text"/>	Other (Please Specify)	<input type="text"/>		
		Other (Please specify)	<input type="text"/>	Other (Please Specify)	<input type="text"/>				

Of those **Volunteers** in your office, how many are: **Male** **Female**

Of those **Volunteers** in your office, how many are aged between:
18-24 **25-34** **35-49** **50-59** **60-64** **65-70** **70+**

Of those **Volunteers** in your office, how many have a long-term illness, health problem or disability that limits their daily activity or the work they can do:

This information will be recorded electronically with your other data in accordance with the Data Protection Act (1998), but used only for monitoring our business practices.

Appendix C. Logistic regression output comparing numbers of solicitor and non-solicitor fee earners between white and black and minority ethnic groups and 2000 and 2004 research exercises.

Dependent Variable Encoding

Original Value	Internal Value
non sol	0
sol	1

Categorical Variables Codings

		Frequency	Parameter (1)
eth	white	4	.000
	bme	4	1.000
year	2004	4	1.000
	2000	4	.000

Variables in the Equation

		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1 ^a	year(1)	.071	.025	8.265	1	.004	1.073
	eth(1)	-.340	.037	85.868	1	.000	.712
	eth(1) by year(1)	.273	.067	16.415	1	.000	1.314
	Constant	.511	.013	1672.507	1	.000	1.667

a. Variable(s) entered on step 1: year, eth, eth * year .

Appendix D. Univariate analysis of variance output comparing the size of firm (in bands as shown in table 2.6) between black and minority ethnic and white owned/controlled firms and between 2000 and 2004. Bands were used, as raw numbers were not available for the 2000 data.

Between-Subjects Factors

	Value Label	N	
eth	1.00	white	4632
	2.00	bme	512
year	1.00	2000	3906
	2.00	2004	1238

Tests of Between-Subjects Effects

Dependent Variable: size

Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	93.085 ^a	3	31.028	17.225	.000
Intercept	11064.566	1	11064.566	6142.465	.000
eth	69.440	1	69.440	38.550	.000
year	.899	1	.899	.499	.480
eth * year	.102	1	.102	.057	.812
Error	9258.803	5140	1.801		
Total	55504.000	5144			
Corrected Total	9351.888	5143			

a. R Squared = .010 (Adjusted R Squared = .009)

Parameter Estimates

Dependent Variable: size

Parameter	B	Std. Error	t	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Intercept	2.625	.119	22.128	.000	2.392	2.858
[eth=1.00]	.466	.125	3.720	.000	.220	.712
[eth=2.00]	0 ^a	.	.	.	.	.
[year=1.00]	-.034	.137	-.247	.805	-.302	.235
[year=2.00]	0 ^a	.	.	.	.	.
[eth=1.00] * [year=1.00]	-.034	.145	-.238	.812	-.318	.249
[eth=1.00] * [year=2.00]	0 ^a	.	.	.	.	.
[eth=2.00] * [year=1.00]	0 ^a	.	.	.	.	.
[eth=2.00] * [year=2.00]	0 ^a	.	.	.	.	.

a. This parameter is set to zero because it is redundant.

Appendix E. Multinomial logistic regression output assessing differences in ethnicity of ownership and control between 'civil only', 'criminal only' and 'civil and criminal' firms. Note that in the parameter estimates, under ownership or control (owc), 1 indicates 'black and minority ethnic' and 2 indicates 'white British'.

Case Processing Summary

		N	Marginal Percentage
civcrimi	criminal	175	12.0%
	both	568	39.0%
	civil	712	48.9%
owc	bme	162	11.1%
	white british	1293	88.9%
Valid		1455	100.0%
Missing		118	
Total		1573	
Subpopulation		2	

Parameter Estimates

		B	Std. Error	Wald	df	Sig.	Exp(B)	95% Confidence Interval for Exp(B)	
								Lower Bound	Upper Bound
civcrimi ^a	criminal								
	Intercept	-1.264	.094	180.5	1	.000			
	[owc=1.00]	.657	.246	7.160	1	.007	1.930	1.192	3.123
	[owc=2.00]	0 ^b	.	.	0	.	.	.	.
civil	Intercept	.213	.059	12.92	1	.000			
	[owc=1.00]	.123	.186	.437	1	.509	1.131	.785	1.629
	[owc=2.00]	0 ^b	.	.	0	.	.	.	.

a. The reference category is: both.

b. This parameter is set to zero because it is redundant.

Appendix F. Multinomial logistic regression output assessing differences in gender of ownership and control between 'civil only', 'criminal only' and 'civil and criminal' firms. Note that in the parameter estimates, under ownership or control (owc), 0 indicates 'male' and 1 indicates 'female'.

Case Processing Summary

		N	Marginal Percentage
civcrimi	criminal	150	12.2%
	both	486	39.4%
	civil	596	48.4%
owcmf	Male	1014	82.3%
	Female	218	17.7%
Valid		1232	100.0%
Missing		341	
Total		1573	
Subpopulation		2	

Parameter Estimates

		B	Std. Error	Wald	df	Sig.	Exp(B)	95% Confidence Interval for Exp(B)	
								Lower Bound	Upper Bound
civcrimi ^a	criminal Intercept	-1.269	.267	22.61	1	.000			
	[owcmf=0]	.106	.285	.139	1	.709	1.112	.636	1.944
	[owcmf=1]	0 ^b	.	.	.	0	.	.	.
civil	Intercept	.754	.152	24.73	1	.000			
	[owcmf=0]	-.668	.166	16.19	1	.000	.513	.371	.710
	[owcmf=1]	0 ^b	.	.	0	.	.	.	.

- a. The reference category is: both.
- b. This parameter is set to zero because it is redundant.

Appendix G. Binary logistic regression analysis contrasting those firms who no longer hold a contract with those holding a contract throughout in terms of region and ethnicity.

Dependent Variable Encoding

Original Value	Internal Value
contract throughout	0
contract lost	1

Categorical Variables Codings

		Frequency	Parameter (1)
owccomb0304	bme	272	1.000
	white british	2400	.000
londonvsall_0304c	london	451	1.000
	others	2221	.000

Variables in the Equation

		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1 ^a	londonvsall_0304c(1)	.615	.220	7.806	1	.005	1.850
	owccomb0304(1)	.448	.256	3.047	1	.081	1.564
	Constant	-3.003	.100	901.959	1	.000	.050

a. Variable(s) entered on step 1: londonvsall_0304c, owccomb0304.

Appendix H. Binary logistic regression output, modelling the likelihood of no longer holding a contract (vs. holding a contract throughout) on the basis of region (London vs. all other regions), ethnicity of ownership or control (black and minority ethnic vs. white British), whether and immigration contract was held (yes vs. no) and size of firm (based on number of fee earners).

Variables in the Equation

	B	S.E.	Wald	df	Sig.	Exp(B)	
Step 1	Size	-.044	.016	7.994	1	.005	.957
	London	.640	.227	7.960	1	.005	1.897
	Immigration contract	-.068	.296	.053	1	.818	.934
	BME ownership/control	.431	.293	2.174	1	.140	1.540
	Constant	-2.662	.146	334.598	1	.000	.070

a. Variable(s) entered on step 1: size of firm, region (london vs. elsewhere), immigration contract (yes vs. no), ethnicity of ownership/control (bme vs. white British)

Appendix I. Binary logistic regression output predicting likelihood of firms receiving a category three audit based on size, ethnicity of ownership or control, whether they are based in London or elsewhere and whether or not they hold an immigration contract.

Variables in the Equation

		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1 ^a	Size	.005	.004	1.210	1	.271	1.005
	BME ownership/control	.457	.300	2.316	1	.128	1.579
	London	.586	.232	6.386	1	.012	1.797
	Immigration contract	.463	.281	2.712	1	.100	1.588
	Constant	-2.234	.120	348.774	1	.000	.107
Step 2 ^a	BME ownership/control	.430	.299	2.069	1	.150	1.537
	London	.591	.232	6.502	1	.011	1.805
	Immigration contract	.469	.281	2.784	1	.095	1.599
	Constant	-2.182	.109	400.099	1	.000	.113
Step 3 ^a	London	.700	.215	10.558	1	.001	2.013
	Immigration contract	.650	.247	6.945	1	.008	1.916
	Constant	-2.176	.109	397.830	1	.000	.114

a. Variable(s) entered on step 1: Size, BME vs. white British ownership/control, London vs. elsewhere, Immigration contract holders vs. others