

Executive Summary

Response to the Legal Services Board Consultation: Encouraging a Diverse Legal Profession

We welcome the Legal Services Board's continued focus on encouraging a diverse legal profession and support the overall direction of travel set out in this consultation.

The Legal Services Act places a clear statutory duty on the profession and its regulators to encourage an independent, strong, diverse and effective legal profession. Given that legislative requirement, the measure of success of any further efforts will not be the articulation of yet more principles, but the identification and execution of actionable, measurable steps that demonstrably move the profession forward.

In our view, the proposed outcomes will be strengthened if regulators and the sector give closer attention to the economic conditions that shape inclusion in legal practice.

We cannot regulate for inclusion and integrity in the profession if we overlook the pressures that quietly erode it.

[Wealthbrite's 2025 research into financial wellbeing in law](#) highlights several themes relevant to this consultation.

Of particular concern is the sector's vulnerability to financial shock. A substantial proportion of respondents report having limited emergency savings and being unable to sustain themselves for more than a short period if their income were interrupted. Two in five (40%) reported being only one pay cheque away from serious financial difficulty. A quarter say they are often relying on credit for essential expenses because they have run out of money, and a majority say they feel pressure to spend beyond their means to keep up with a lifestyle in law.

These are not isolated incidents, they are early signals of risk. Over the last three years our data has shown repeated poor trends in the profession's financial wellbeing. On several markers of financial wellbeing people in law are underperforming against national benchmarks.

Importantly, these patterns are not confined to early-career professionals or lower-income earners.

The risks can demonstrably impact anyone, in any size of business in the profession.

Money and mental health

Financial strain is widespread across the profession and cuts across income levels and roles. A significant majority (83%) of respondents report worrying about money at least once a month. Those who are financially stressed are 1.5 times more likely to report they are looking for a new job and twice as likely to report struggling with decision-making in work.

One of the most striking data points in our results is that 96% of the women reported at least one sign of poor mental health as a result of money worries. In the UK money remains one of the most significant drivers of mental ill health and the cost to the British economy of poor financial literacy is estimated by the CBI to be 20 billion pounds annually.

As the value of legal services as a proportion of the UK economy continues to increase, this is a risk that should no longer be ignored. Personal financial challenges present sector-wide risks and it warrants intervention not as a nice-to-have but as a critical means to ensuring the diversity of the profession's talent pipeline and organisational resilience.

Money and progression

Socioeconomic background and gender continue to shape progression and economic outcomes within the profession.

Our data identifies a £10,000 class pay gap and a £15,000 gender pay gap in law.

Across socioeconomic and gender representation lines there is an evident barrier to progression. While representation is fairly even across lower and mid-income bands, representation of both groups declines sharply at higher earnings levels, with men from higher income backgrounds significantly over-represented among those earning £200,000+.

While much has been discussed about the role of coaching, mentoring and sponsorship in order to advance progression of diverse talent, little is known about how the financial realities of people shape progression.

In a recent roundtable discussion we hosted on “putting the economics back into socio-economic status in law” several participants noted awareness of working class candidates for partnership who had turned down or delayed progression to partner due to anxiety over the economic reality of self-employment and the need to take on debt on entry into the partnership.

Wealthbrite has been awarded funding to undertake further research on the state of economic mobility in the profession with further assessment of how financial realities are shaping retention and progression. We intend to make a number of practical recommendations with the release of a landmark report on how class and finances interact in law.

Money and legal ethics

In a regulated profession, a person's financial reality is not solely a matter of personal wellbeing. Financial strain can shape judgement, risk tolerance, help-seeking behaviour and decision-making. Recognising this is not about creating a new regulatory burden or adding a peripheral wellbeing initiative. It is about acknowledging the existing ethical framework within which the profession must operate and recognising the conditions that influence conduct, progression and performance within a regulated environment.

Sector discussions we have had with senior leaders in law indicate that Law firms nationally are already dealing with the cost of poor financial management by their people. From calls for advances on wages, increased takeup of hardship funds and in more problematic cases fraudulent time dumping where time recording and financial reward are linked.

When problems escalate a firm doesn't just lose out on the cost of the money involved; where a person takes time off or is suspended or even struck off they lose that person's contribution to the firm and their investment in them.

Our contacts in the profession tell us that 9 times out of 10 regulatory matters are not borne out of the actions of a truly bad apple but rather a slippery slope of smaller, incremental behaviours that are left unchecked to spiral over time.

We therefore suggest that, as the LSB refines its expectations, consideration is given to how economic and financial capability factors are recognised within diversity outcomes where certain populations may be regarded as being more "at risk" financially.

This does not require a redefinition of diversity, but it does require clarity about the measurable conditions that support it.

In practical terms, this could include:

- A statement of practice for organisations with clear outlines of behaviour regarded as meeting statutory minimums; good practice; and sector-leading efforts.
- Monitor whether groups experiencing disadvantage also experience disproportionate financial strain or reduced access to trusted support.
- A recommendation that all legal organisations should adopt a framework of transparency on pay and reward, both on job adverts and internal role profiles.
- A renewed effort to more clearly signpost sector-specific support resources, such as LawCare and The Solicitors' Charity.
- Inclusion within professional competency frameworks of personal financial management as a core skill for modern legal practice.
- Require confirmation of a baseline level of personal financial competence in annual risk and compliance training and checks.

The profession's statutory obligations to deliver a diverse legal sector require more than aspiration. A framework grounded in measurable progress and informed by the behavioural realities of economic pressure will better support both diversity and long-term sector resilience.

Detailed Questions

Q1a - Do you agree that these proposed outcomes will help to address the barriers to encouraging a diverse legal profession? Are there any further, or alternative, outcomes we should consider?

We support the overall direction of the proposed outcomes and agree that they address a number of the structural and procedural barriers that continue to affect diversity within the legal profession.

However, the effectiveness of the framework will depend in part on how “a diverse legal profession” is understood in practice.

Diversity should not be interpreted narrowly or confined solely to characteristics protected under the Equality Act. While those protections remain fundamental, the barriers that shape progression within the profession often extend beyond formal protected characteristics. In particular, socioeconomic background and economic mobility materially influence who progresses, who remains and who exits the profession.

Our research indicates that socioeconomic status continues to shape financial resilience, access to guidance and patterns of economic confidence within law. Gender disparities in pay and senior representation further compound these dynamics. These economic realities influence career decisions at every stage.

For many individuals, a career in law is pursued with a dual ambition: to do good work and to do well financially. Where there is a persistent gap between expectation and lived financial experience, this can influence decisions about progression, lateral movement or exit from the profession. If diversity outcomes focus solely on entry or representation without examining the economic conditions that shape retention and advancement, important drivers of inequality may remain unaddressed.

We therefore suggest that the framework recognises diversity in a way that accounts for barriers operating within the workplace itself. This includes economic conditions, financial capability and broader wellbeing factors that influence behaviour and progression. Recognising these contextual drivers does not require the creation of a separate outcome. Rather, it requires a holistic and practical understanding of the factors that impede or enable advancement once individuals are inside the profession.

We do not consider that additional or alternative high-level outcomes are required. The existing proposed outcomes provide an appropriate structure. The priority, in our view, is ensuring that those outcomes are underpinned by clear, measurable and practicable indicators of success, rather than expanding the framework further.

Q1b - Do you agree that the proposed outcomes should be pursued by regulators through a set of specific expectations?

We agree that the proposed outcomes should be pursued through a set of clear and specific expectations.

High-level outcomes, without defined expectations, risk becoming statements of intent rather than drivers of change. The Legal Services Act creates a statutory obligation to encourage a diverse profession. Specific expectations are therefore necessary to translate that obligation into practical and accountable action.

However, clarity of expectations alone will not be sufficient. The framework should also provide transparency around how progress will be monitored and what steps may follow where regulators do not demonstrate reasonable progress against agreed indicators. Without visible accountability mechanisms, there is a risk that diversity objectives remain aspirational rather than operational.

In our view, the effectiveness of the framework will depend on three elements:

- Clear and proportionate expectations.
- Measurable indicators of success, particularly in relation to progression, retention and fairness of regulatory processes.
- A credible mechanism for oversight and follow-up where progress is insufficient.

Expectations should also encourage regulators to examine the underlying conditions that influence outcomes, including workplace culture, economic pressures and access to trusted support. These factors shape behaviour and decision-making within the profession and, if left unexamined, may undermine diversity objectives despite formal compliance.

A structured set of expectations, supported by measurable indicators and meaningful accountability, is more likely to deliver incremental and sustained improvement than reliance on principle alone.

Do you agree that the proposed structure of core and enhanced expectations under the general outcomes offers an effective way to set a clear minimum standard for all regulators, while also encouraging regulators to consider additional steps, where appropriate?

We agree that a structure comprising core and enhanced expectations is a constructive and proportionate approach.

A comparable model can be seen in the [Mayor of London's Good Work Standard](#), which sets out a clear minimum level of activity alongside progressive tiers through which organisations can demonstrate deeper commitment. Wealthbrite contributed to consultation discussions

informing that framework, particularly in relation to workplace wellbeing across industries. One of its strengths is the clarity with which minimum expectations are defined, alongside transparent pathways for progression.

A similar structure in this context could provide clarity about what constitutes the baseline statutory requirement and what additional activity represents enhanced practice.

In the current environment, where legal leaders are navigating significant regulatory, technological and economic change, there is a degree of reform fatigue across the sector. Leaders are balancing multiple competing pressures. In that context, it is particularly important that minimum standards are articulated in a way that is simple, precise and unambiguous. Where expectations are open to wide interpretation, there is a risk of inconsistent application and dilution of the core objective.

Enhanced expectations can then provide a mechanism for regulators to go further where appropriate, particularly where data indicates persistent disparities or limited progress. To ensure practicality and consistency, we would encourage the LSB to consult widely with representative groups, regulated communities and subject matter experts when defining both core and enhanced elements. This will help ensure that expectations are implementable, proportionate and clearly understood.

The effectiveness of the model will depend on three factors:

- Clear articulation of the minimum standard.
- Transparent criteria for progression to enhanced expectations.
- Ongoing consultation to avoid interpretive drift and maintain focus on measurable outcomes.

Used in this way, the core and enhanced structure has the potential to provide both clarity and ambition without adding unnecessary complexity.

Q2a Do you agree with the proposed Outcome 1: strategic, evidence-based and collaborative actions to encourage a diverse legal profession?

We agree with the principle of Outcome 1. A strategic, evidence-based and collaborative approach is essential if progress toward a diverse legal profession is to be sustained rather than episodic.

For this outcome to deliver meaningful impact, “evidence-based” must extend beyond headline representation data. While demographic data remains essential, strategic action should also examine progression, retention and the underlying drivers that influence career trajectories. Socioeconomic background, economic mobility and workplace conditions can materially affect advancement and should be considered within a comprehensive evidence base.

We strongly support the emphasis on collaboration. Within the sector, there is significant value in structured cross-community learning. Regulators, representative bodies, firms and chambers should be encouraged to share good practice, participate in working groups and engage in active learning. Without deliberate coordination, there is a risk of duplication, fragmented initiatives and inconsistent standards.

There is also benefit in looking beyond the legal sector. Other industries have achieved measurable improvements in diversity through sustained, evidence-led interventions. A deliberate effort to understand what has delivered outcomes elsewhere may help avoid insularity and reduce the risk of groupthink.

In relation to data, a standardised and harmonised approach to collection will be critical. Greater consistency in definitions, metrics and reporting frameworks would support more robust analysis across regulators and enable benchmarking against national data. Without harmonisation, comparisons are limited and the sector's ability to evaluate progress over time is constrained.

Finally, strategic action should be underpinned by clear baseline measures and agreed indicators of success. Collaboration, evidence and harmonised data collection together provide the conditions necessary for measurable improvement.

Q2b. Do you agree that the proposed expectations will help regulators to pursue Outcome 1? Are there any further expectations beyond those included that would support regulators to pursue this outcome?

We agree that the proposed expectations provide a useful framework for pursuing Outcome 1. However, their impact will depend on the clarity of leadership responsibility and the strength of accountability mechanisms attached to them.

There is no shortage of discussion, initiatives or statements relating to diversity across the legal sector. In some instances, however, diversity activity risks being perceived as discretionary or reputational rather than integral to regulatory compliance. Where expectations are framed primarily as encouragement rather than obligation, there is a risk that progress becomes uneven and dependent on individual organisational appetite.

Given the statutory duty under the Legal Services Act to encourage a diverse profession, expectations should make clear that diversity is not a “nice to have”, but a matter of legal and regulatory significance.

We would therefore suggest that the LSB consider strengthening Outcome 1 through:

- Explicit articulation of leadership accountability, including clarity about what is expected of senior decision-makers in regulated entities.
- Clear statements from regulators reaffirming that compliance with equality and diversity law is a regulatory expectation, not solely an employment matter.

- Transparent monitoring and follow-up where regulators or regulated communities fail to demonstrate reasonable progress against agreed indicators.

In the current environment, where external political and social narratives may fluctuate, it is important that regulators provide consistent and visible confirmation of the profession's legal obligations. Clarity from the LSB and frontline regulators will help prevent ambiguity and ensure that statutory duties are not diluted by shifting external discourse.

Finally, expectations under Outcome 1 should reinforce that diversity strategy must be embedded within core governance structures rather than operating in parallel to them. Where leadership ownership is clear and accountability mechanisms are visible, strategic and evidence-based action is more likely to translate into measurable outcomes.

Q2c. Are there any enhanced expectations that would be better placed under core expectations under Outcome 1? Are there any core expectations that would be better placed under enhanced expectations under Outcome 1?

We do not have strong views on the placement of specific expectations between core and enhanced categories at this stage.

In our view, the more important consideration is that core expectations are sufficiently clear and measurable to establish a meaningful minimum standard across regulators. Enhanced expectations should then operate as a proportionate escalation mechanism where data indicates persistent disparities, limited progress or heightened risk.

The effectiveness of the structure will depend less on the categorisation itself and more on the clarity of baseline requirements and the transparency of criteria used to determine when enhanced expectations are triggered.

Q3a Do you agree with the proposed Outcome 2: fair regulatory approaches and decision-making?

We agree with the principle of Outcome 2. Fair, proportionate and evidence-based regulatory decision-making is fundamental to public confidence and to the integrity of the profession.

In considering fairness, it is important that regulatory systems account not only for formal equality but also for contextual factors that may influence behaviour and outcomes.

Our 2025 research into financial wellbeing in law identified high levels of financial strain across the profession. A significant majority of respondents report worrying about money regularly. A substantial proportion are exposed to financial shock, with limited emergency savings and reliance on credit for essential expenses. Three quarters indicate that they would not disclose financial stress to their employer.

Financial strain and economic insecurity are not only personal challenges; they can operate as barriers to progression within the profession. Persistent financial pressure influences

confidence, willingness to take career risks, engagement with development opportunities and decisions about whether to remain within a particular firm or the profession altogether.

Where individuals are operating close to financial shock, with limited savings and high reliance on credit, their capacity to absorb career transitions, temporary income disruption or partnership risk may be materially reduced. This has implications for retention and advancement, particularly where expectations of progression are not matched by lived financial reality.

Disciplinary or misconduct events should be understood as a subset of the broader risks that arise when economic conditions are ignored. Financial strain can influence judgement, risk tolerance and help-seeking behaviour. While it does not excuse misconduct, failure to understand these drivers may result in regulatory systems responding to symptoms rather than underlying causes.

Socioeconomic background and gender intersect with these dynamics. Our data identifies a £10,000 class pay gap and a £15,000 gender pay gap, alongside disparities in financial confidence and access to trusted guidance. Where particular groups are more exposed to financial vulnerability or less likely to seek support, barriers to progression may be compounded and regulatory processes may inadvertently reinforce disadvantage if context is not appropriately considered.

Fair regulatory approaches should therefore include:

- Ongoing monitoring of decision-making data to identify any disproportionate impact across socioeconomic or gender groups.
- Training and guidance for decision-makers to understand how financial and economic pressures may influence behaviour.
- Proportionate consideration of contextual factors where relevant, while maintaining clear professional standards.

Embedding this understanding strengthens regulatory fairness. It supports early intervention and prevention and recognises how economic conditions shape both opportunity and risk across the professional lifecycle.

Do you agree that the proposed expectations will help regulators to pursue Outcome 2? Are there any further expectations beyond those included that would support regulators to pursue this outcome?

We agree that the proposed expectations provide an important foundation for fair regulatory approaches. However, their effectiveness will depend on the extent to which they recognise and address the structural and economic factors that influence progression, behaviour and exposure to regulatory risk.

Our cross-sector social mobility roundtable discussions with senior leaders, DEI professionals and compliance representatives highlighted that financial strain is often invisible within firms but materially shapes decision-making. Participants described financial confidence as “a missing piece of the social mobility puzzle” and noted that progression can be constrained not only by access to opportunity, but by economic security and risk tolerance.

Examples shared included:

- Senior lawyers declining partnership or leadership opportunities due to fear of self-employment debt or income volatility.
- Reluctance to invest in development or maximise pension contributions despite high earnings, driven by early-life financial instability.
- Individuals operating close to financial shock are less willing to raise concerns or seek support when under pressure.

These realities suggest that barriers to diversity are not confined to recruitment or formal bias. They also arise from economic conditions that influence behaviour, help-seeking and progression.

In light of this, additional expectations under Outcome 2 could include:

- Regular monitoring of regulatory decision-making data to identify disproportionate impact across socioeconomic or gender groups.
- Clear guidance for decision-makers on considering relevant contextual factors, including financial vulnerability, where appropriate and proportionate.
- Encouraging regulators to support early intervention mechanisms that enable individuals to seek help before issues escalate into formal disciplinary matters.

Such measures do not dilute professional standards. Rather, they strengthen fairness by ensuring that regulatory systems understand the environments in which individuals operate. Addressing underlying drivers of behaviour reduces the likelihood of escalation and supports the broader objective of sustaining a diverse and resilient profession.

Q3c. Are there any enhanced expectations we could set for regulators to pursue Outcome 2?

This consultation is fundamentally concerned with progression within a diverse legal profession, however, regulatory approaches play a significant role in shaping whether individuals are able to progress, recover from setbacks and remain within the profession.

Outcome 2 is therefore not solely about fairness in enforcement. It is about ensuring that regulatory systems do not inadvertently create barriers to progression through disproportionate or incomplete responses to risk.

Where disciplinary or misconduct events arise, they should be understood as part of a broader ecosystem of workplace conditions, pressures and behavioural drivers. Recent regulatory decisions across the sector have highlighted instances where responsibility appears to rest heavily on the individual, with limited visible expectation that firms demonstrate what preventative or remedial steps they have taken to address underlying conditions or avoid recurrence.

An enhanced expectation under Outcome 2 could therefore include clearer requirements that:

- Regulators examine whether organisational factors contributed to the circumstances giving rise to misconduct, not solely individual failings.
- Firms demonstrate what mitigation and remedial action has been implemented following regulatory events, including changes to supervision, culture, training or support structures.
- Disciplinary processes incorporate a continuum of wellbeing support, ensuring that individuals are supported appropriately throughout proceedings and that root causes are identified where relevant.

This is not an argument for reducing accountability. Rather, it reflects the principle that sustainable diversity and progression depend on addressing systemic drivers of behaviour, not only reacting to outcomes.

Where patterns of repeated issues or disproportionate impacts are identified, enhanced expectations could require regulators to demonstrate how they are strengthening preventative mechanisms, including education, early intervention and clear signposting to independent support services.

By embedding prevention and shared responsibility into regulatory practice, Outcome 2 can better support progression, resilience and fairness across the professional lifecycle.

Q4a Do you agree with the proposed Outcome 3: accessible, flexible and inclusive pathways into, within and back into the professions that encourage a diverse legal profession?

We agree with the principle of Outcome 3 and strongly support the emphasis on pathways not only into, but within and back into the profession.

In practice, the greatest barriers to diversity often arise after entry. Recruitment initiatives have improved access in many parts of the sector. However, progression remains uneven and attrition rates continue to reflect underlying structural pressures.

Our 2025 research indicates that behavioural and economic pressures are widespread across the profession:

- 55% report dealing with problematic behaviours such as splurge spending, gambling, missed payments, or substance-related coping mechanisms.
- 66% report feeling pressure to spend beyond their means.
- 75% indicate they would not disclose financial stress to their employer.
- Those experiencing high levels of financial stress are twice as likely to report struggling to make effective decisions at work.

These patterns are directly relevant to progression. Confidence, judgement, willingness to take opportunity and capacity to perform consistently are all shaped by underlying economic conditions.

For pathways within the profession to be genuinely inclusive, attention must be given to the competencies required for modern legal practice. The shift toward self-directed continuing competence and self-assessment has increased flexibility. However, there is a risk that this model creates an assumption of capability without ensuring that the full range of skills required in contemporary practice are consistently developed.

There is a growing disconnect between professional competencies as formally articulated and the behavioural realities of practice. Personal integrity obligations extend beyond technical legal knowledge. For example, awareness of personal financial management and financial stability is embedded within professional conduct expectations, yet many practitioners have limited understanding that such obligations form part of the professional framework.

As we have previously observed, you cannot regulate for integrity if you overlook the pressures that quietly erode it. Where financial strain affects judgement, resilience and decision-making, this becomes directly relevant to progression and professional sustainability.

Legal ethics education is often episodic and compliance-focused rather than developmental. Where confidence and capability gaps persist — particularly among those from lower socioeconomic backgrounds or women who report lower levels of financial confidence — barriers to progression may be compounded rather than reduced. Our data further identifies:

- A £10,000 class pay gap.
- A £15,000 gender pay gap.
- Disparities in financial confidence and access to trusted guidance across these groups.

As noted by Nick Gallagher, Chief Executive of The Solicitors' Charity, financial resilience is not solely personal; it is part of how we manage risk, uphold standards and protect the profession. When individuals operate under sustained financial pressure, the impact is felt not only in wellbeing outcomes but in performance, retention and progression.

Accessible and inclusive pathways therefore require not only flexibility in entry and return routes, but sustained investment in competency development that reflects the realities of modern legal practice and supports individuals across the professional lifecycle.

Q4b Do you agree that the proposed expectations will help regulators to pursue Outcome 3? Are there any further expectations beyond those included that would support regulators to pursue this outcome?

We agree that the proposed expectations provide a useful foundation for Outcome 3. However, to support meaningful progression within the profession, further clarity may be required around competency development, ethical literacy and transparency.

Our 2025 report identified three practical recommendations that are directly relevant to inclusive progression within the profession: communication, competency training and strengthened organisational conditions.

In the context of Outcome 3, we would highlight the following areas for further expectation-setting:

1. Legal ethics training aligned to modern risks

Legal ethics education should extend beyond compliance refreshers and address the contemporary pressures facing the profession. This includes economic strain, performance pressure, conflicts of interest, financial conduct obligations and the behavioural risks associated with sustained stress.

Where ethical literacy is underdeveloped, individuals may lack awareness of how personal circumstances intersect with professional duties. This is particularly relevant in a diverse workforce where lived experiences and exposure to financial risk may differ significantly.

2. Specific training on financial conduct and professional competency

There remains a significant disconnect between professional conduct requirements and awareness of what they entail in practice. Personal financial management and financial stability form part of conduct obligations, yet this is rarely recognised as a competency domain.

Enhanced expectations could require regulators to ensure that regulated entities provide structured training on financial conduct and competency, not as a wellbeing initiative but as part of professional standards. This is particularly important given evidence that certain groups, including those from lower socioeconomic backgrounds and women, report lower financial confidence and higher levels of financial stress.

Without deliberate support to build confidence and competence, barriers to progression may persist despite formal equality of opportunity.

3. Greater transparency on pay and progression

Transparency is fundamental to inclusive progression. Lack of clarity around pay scales, reward structures and advancement criteria can exacerbate inequality and undermine trust.

We would encourage the LSB to consider setting a clear expectation that regulated entities:

- Publish pay scales across grades internally.
- Include pay and reward details in job advertisements.
- Publish gender pay gap data and, where feasible, socioeconomic pay gap data.

Transparency supports informed decision-making, reduces reliance on informal networks and mitigates disparities that disproportionately affect underrepresented groups.

Together, these measures reinforce that accessible and inclusive pathways require more than flexible entry points. They require clarity of standards, investment in modern competency development and transparency in progression structures.

Are there any enhanced expectations that would be better placed under core expectations under Outcome 3? Are there any core expectations that would be better placed under enhanced expectations under Outcome 3?

We do not have strong views on the categorisation of specific expectations under Outcome 3 at this stage.

As with other outcomes, the effectiveness of the structure will depend less on the precise placement of individual expectations and more on the clarity and measurability of the core baseline.

Core expectations should establish a clear and consistent minimum standard across regulators, particularly in relation to progression, transparency and competency development within the profession. Enhanced expectations should then operate as a proportionate mechanism where evidence indicates persistent disparities or insufficient progress.

Provided that thresholds for escalation are transparent and data-informed, the proposed structure is capable of supporting both consistency and ambition.

Q4c Are there any additional expectations, either core or enhanced, we should set under Outcome 3 to reduce barriers faced by authorised persons when moving between and/or re-entering the professions (e.g. following prolonged absence for health, caring or other reasons)?

Outcome 3 appropriately recognises that barriers arise not only at entry, but at points of transition within and back into the profession. Additional expectations could strengthen support at these inflection points, particularly where economic conditions and financial confidence materially influence progression.

Re-entry following caring or health-related absence often coincides with reduced financial buffers and increased economic pressure. These dynamics can affect confidence, willingness to seek flexible arrangements and decisions about long-term progression. Enhanced expectations could encourage regulators to ensure that re-entry pathways include clear guidance, structured supervision and transparent information about progression and remuneration, reducing uncertainty at a point of heightened vulnerability.

Movement within the profession presents related challenges. Increasing numbers of practitioners are transitioning into consultancy or self-employed models of practice. While these routes offer flexibility and autonomy, they also introduce income volatility, personal financial risk and additional compliance responsibilities.

Our research and sector discussions indicate that lack of financial knowledge or security can operate as a barrier in two directions:

- Individuals may avoid progression into alternative practice models due to fear of income instability or insufficient understanding of financial implications.
- Conversely, individuals may move into self-employed structures without fully understanding the financial, tax and risk management responsibilities involved.

Both scenarios have implications for inclusive progression. Where financial confidence and competence gaps persist — particularly among those from lower socioeconomic backgrounds or women who report lower levels of financial confidence — transitions into new practice models may either be foregone or undertaken without adequate preparation.

Additional expectations under Outcome 3 could therefore include:

- Clear guidance for regulators to ensure that transition pathways are accompanied by accessible information on financial, ethical and compliance responsibilities.
- Encouragement of structured competency development addressing financial conduct and risk management for those entering self-employed or consultancy models.
- Transparent communication regarding income structures, fee arrangements and reward models within alternative practice routes.

By recognising the economic realities of transition points, regulators can better support safe mobility within the profession and reduce barriers that disproportionately affect underrepresented groups.

Inclusive pathways require not only formal access, but informed and supported movement across the professional lifecycle.

Q5a Do you agree with the proposed Outcome 4: professional conduct and competence that encourage a diverse legal profession?

We agree that professional conduct and competence are central to encouraging a diverse legal profession. However, competence must be understood in the context in which it is exercised. Culture, economic conditions and behavioural norms materially shape how standards are upheld and how progression unfolds once individuals are inside the profession.

This consultation is concerned with progression. Professional competence frameworks must therefore account for the conditions that either enable or inhibit sustained advancement.

Our 2025 report concludes that financial wellbeing in law will not improve through awareness alone. It requires “a shift in how we communicate about money, how we build financial competency throughout careers, and how we create the conditions that allow people to engage with the support already available to them.”

Over the last 12 months, we asked hundreds of lawyers to respond to the statement: “People in law struggle to talk openly about money because...?” Three themes emerged:

- A culture of expertise that compounds shame and makes it difficult to admit not knowing.
- A perception of wealth in the profession that creates assumptions about what people “should” know or be able to manage.
- Salary secrecy and cultural taboos that make conversations about money feel inappropriate or risky.

Together, these factors create what the report describes as a “closed culture that can amplify the effects of financial stress.”

These cultural dynamics are directly relevant to the proposed expectations under Outcome 4.

Equipping managers to act fairly, compassionately and inclusively

Compassion in this context requires recognising that financial resilience is not simply a private matter. As Sophie Cisler, Head of Risk and Compliance, reflected:

“Financial risk isn’t just someone taking money from a client account. Pressure and debt can quietly undermine judgement, integrity, and performance, with consequences far more damaging for firms than a single breach.”

Managers and supervisors play a key role in shaping whether people feel comfortable asking questions or accessing learning. Yet many want to help but do not feel equipped to hold conversations about financial wellbeing.

The expectation to equip managers should therefore include practical capability-building so that leaders can recognise early indicators of strain, respond proportionately and confidently signpost colleagues to appropriate support.

Diverse and inclusive leadership

Leadership behaviour is critical in shifting culture.

Our recommendation to “Continue to invest in Communication” emphasises that culture changes when senior leaders actively model openness. Sharing lived experiences — including uncertainty, early mistakes or financial learning journeys — dismantles the “you should already know this” mindset and reduces stigma.

Storytelling is not peripheral. It builds psychological safety. When leaders speak openly about financial confidence as a learned skill rather than an assumed trait, it signals that asking questions is compatible with professionalism.

Without this visible modelling, expectations around inclusion and competence may be interpreted narrowly or technically rather than culturally.

Addressing wellbeing and inclusion challenges

Clear channels to raise concerns are essential. However, our data shows a significant trusted resource gap:

- Only 32% of respondents report being aware of any financial wellbeing support offered by their firm.
- 75% would not admit to having money worries to their employer.

The existence of support mechanisms is insufficient if awareness, communication and cultural permission are lacking.

Our recommendations therefore emphasise:

1. Continue to invest in Communication — normalising conversations about money and highlighting that financial uncertainty is common, not a failing.

2. Invest in Competency Training — providing access to independent financial education that strengthens financial competence and signposting to appropriate support such as The Solicitors’ Charity and LawCare.

3. Strengthen Conditions — giving people protected time and space to engage in financial education and ensuring legal ethics training includes specific training on modern-day financial risks facing the profession.

Outcome 4 provides an opportunity to ensure that professional conduct and competence expectations reflect these realities and actively support inclusive progression across the profession.

A diverse profession is not sustained by entry pathways alone. It requires cultural conditions, managerial capability and structural clarity that allow individuals to uphold standards and progress with confidence.

Do you agree that the proposed expectations will help regulators to pursue Outcome 4? Are there any further expectations beyond those included that would support regulators to pursue this outcome?

The proposed expectations provide a strong foundation for aligning professional conduct and competence with the objective of encouraging a diverse legal profession.

To strengthen their impact, we would suggest greater specificity around how conduct, integrity and financial competence are embedded within ongoing professional development and regulatory processes.

In particular, regulators may wish to consider whether existing self-certification and practising certificate renewal mechanisms sufficiently prompt reflection on financial conduct obligations.

At present, there is limited explicit reinforcement that personal financial management, integrity and economic decision-making form part of professional responsibilities. A small but meaningful adjustment — for example, incorporating a structured prompt within practising certificate renewal — could reinforce awareness. This might include a positive affirmation such as:

“Do you have an up-to-date understanding of the conduct and behaviour rules to which you are expected to comply, including financial conduct, integrity and independence?”

Such a measure would not create additional burden but would signal that financial competence is part of professional standards, not a peripheral wellbeing issue.

More broadly, expectations could clarify that:

- Legal ethics training should address contemporary economic pressures and behavioural risks.
- Financial conduct awareness forms part of maintaining competence.
- Firms should ensure that managers are equipped to recognise and respond to integrity risks arising from sustained economic strain.

Embedding these elements would strengthen prevention, support inclusive progression and reinforce the link between integrity and economic reality.

Are there any enhanced expectations that would be better placed under core expectations under Outcome 4? Are there any core expectations that would be better placed under enhanced expectations under Outcome 4?

We do not have strong views on the precise categorisation of individual expectations under Outcome 4.

As with other outcomes, the effectiveness of the framework will depend more on clarity of baseline standards than on structural placement.

Core expectations should clearly articulate the minimum requirements for competence, integrity and inclusive leadership. Enhanced expectations may be appropriate where evidence indicates persistent cultural or behavioural risks, particularly where disparities in progression or conduct outcomes remain unresolved.

Provided that escalation criteria are transparent and data-informed, the proposed structure is capable of supporting both consistency and continuous improvement.

Do you agree with the proposed timescales for implementation?

We recognise the need for a robust and consultative approach to implementing the proposed framework. Clarity of outcomes, expectations and monitoring mechanisms should not be rushed in a way that undermines effectiveness.

However, we are concerned that extended timelines risk diluting momentum and deferring action on issues that are already well evidenced.

If the purpose of the framework is to clarify and strengthen an existing statutory obligation under the Legal Services Act — rather than to introduce wholly new duties — there may be scope to move at a faster pace. Many of the underlying issues relating to progression, transparency and inclusive leadership are not new. They are already visible in sector data and regulatory findings.

A timeline that extends to 2027–28 for full implementation, with bedding-in beyond that point, risks pushing meaningful impact toward the end of the decade. In the intervening period, leadership changes, regulatory restructuring or shifting priorities may create further delay.

We would encourage the LSB to consider a phased approach:

- Establish a clear minimum framework within six months, focused on articulating baseline expectations and indicators.

- Implement enhanced monitoring and escalation mechanisms in parallel, learning from early application.
- Adopt an iterative model that allows refinement without delaying initial action.

There is a risk in allowing perfect alignment to become the enemy of timely progress. A collaborative design process with regulators and representative bodies could enable practical guidance to be developed quickly while maintaining scope for adaptation.

Urgency and consultation are not mutually exclusive. A phased approach would demonstrate commitment while preserving flexibility.

Q6b Are there any reasons why a regulator would not be able to meet these milestones?

In determining implementation timescales, we would encourage the LSB to consider:

1. Delivery risk associated with leadership and structural change

Extended timelines increase exposure to turnover within regulatory leadership teams and organisational restructuring. Clear ownership, continuity of personnel and defined governance structures will be critical to avoiding delay or loss of institutional memory.

2. Dedicated resource allocation

Implementation will require regulators to assign specific teams and budget to this work. Clear expectations regarding resourcing would support delivery and signal that diversity and progression objectives are core regulatory priorities. Where possible, regulators should designate implementation leads whose roles are insulated from short-term organisational change. Continuity will reduce disruption and support consistent application across regulatory communities.

3. Phased execution with defined milestones

Breaking the programme into discrete stages with published milestones would enable transparency and accountability. Early wins, such as clarifying minimum standards or publishing guidance, can build momentum. Rather than waiting for a fully formed framework before implementation begins, the LSB could support pilot activity or early adopter regulators, using those insights to refine guidance.

Q6c. What else could the LSB do to support compliance and implementation?

The LSB could support effective implementation by providing practical tools that clarify what good practice looks like in operational terms.

This may include:

- Published case studies illustrating effective implementation and areas of common challenge.

- Practice notes with clear examples of good and poor approaches to meeting expectations.
- Structured working groups that bring together regulators, representative bodies and subject matter experts to share learning.
- Active engagement with other sectors that have demonstrated measurable progress in diversity and inclusion, to avoid insularity and draw on established evidence.

Providing practical, example-led guidance will reduce ambiguity, limit inconsistent interpretation and support regulators in translating outcomes into action.

Q7 We have opted to provide a general response as our expertise lies outside the specifics of the questions asked:

We agree that the proposed framework is likely to have a net positive equality impact. However, the extent of that impact will depend significantly on the specificity, consistency and measurability of the actions taken by regulators.

High-level outcomes and expectations, while directionally positive, do not automatically translate into improved equality outcomes. The equality impact will ultimately be shaped by how clearly minimum standards are defined, how progress is monitored and how consistently expectations are applied across regulatory communities.

We would therefore encourage the LSB not to rely solely on anticipated positive impact, but to embed clear, measurable and actionable requirements within the framework. Consistency of application will be critical in ensuring that the intended equality benefits are realised in practice rather than left to interpretation.

Q8: Do you have any comments on the potential impact of the draft statement of policy including the likely costs and anticipated benefits?

Wherever possible, regulators should be required to undertake the same level of action in pursuit of the statutory objective to encourage a diverse profession. Consistency of baseline expectations is essential to avoid fragmentation or uneven progress across the sector.

That said, proportionality remains important. Smaller regulators or those with more limited resources may require flexibility in how expectations are operationalised. Consideration should be given to how such regulators can adapt proposals in a way that preserves core standards while reflecting scale and capacity constraints.

Flexibility in implementation should not, however, result in dilution of minimum expectations. Clear articulation of what is non-negotiable, alongside proportionate pathways to delivery, will support fairness across regulatory communities.

Q9 Further steps to encouraging a diverse profession

The role of an oversight regulator is critical in ensuring consistency and credibility across the regulatory landscape.

Flexibility within the system is valuable. However, oversight without clarity or consequence risks becoming an exercise in dialogue without delivery. If expectations are framed solely as encouragement, there is a risk that diversity objectives remain perceived as discretionary rather than integral to regulatory compliance.

To shift attitudes from “nice to have” to regulatory requirement, the LSB should ensure that:

- Minimum standards are clearly defined and consistently applied.
- Progress is monitored against transparent indicators.
- There are defined leadership consequences where regulators fail to demonstrate reasonable progress.

Clear boundaries do not preclude collaboration. On the contrary, they provide the foundation upon which collaborative design and sector engagement can operate effectively.

The credibility of the framework will depend not only on its ambition, but on the visibility of oversight and the certainty that statutory obligations are being actively discharged.

9c. Do you have any further comments on our proposals that you would like to share?

We would encourage the LSB to consider how oversight mechanisms can facilitate more open and constructive collaboration between regulators, representative bodies and specialist external providers.

There is significant innovation occurring across the legal sector and adjacent industries in relation to diversity, progression and data-led impact frameworks. Specialist organisations — including for-profit entities — are often developing practical tools, behavioural insights and measurable interventions that can support implementation of regulatory objectives.

At times, we observe hesitancy amongst legal sector leaders in engaging directly with external providers, potentially driven by concerns regarding objectivity or independence. However, commercial status is not inherently incompatible with public interest objectives. Many mission-led organisations operate on a for-profit basis while maintaining clear governance structures, transparent methodologies and sector-focused intent.

A more open approach to structured collaboration could accelerate learning, reduce duplication and support regulators in translating expectations into practical action. Clear guardrails around procurement, transparency and evaluation would preserve independence while enabling the sector to benefit from existing expertise and innovation.

Wealthbrite stands ready to contribute data, insights, case studies and implementation learning to support the profession in strengthening progression outcomes. We believe that sustained improvement will require coordinated effort across regulators, employers and specialist partners.