

Evaluation of our new approach

to assessing regulators
against our Equality, Diversity
& Inclusion Standard

2025



Evaluation of our new approach to assessing regulators against Standard 3

1. Introduction

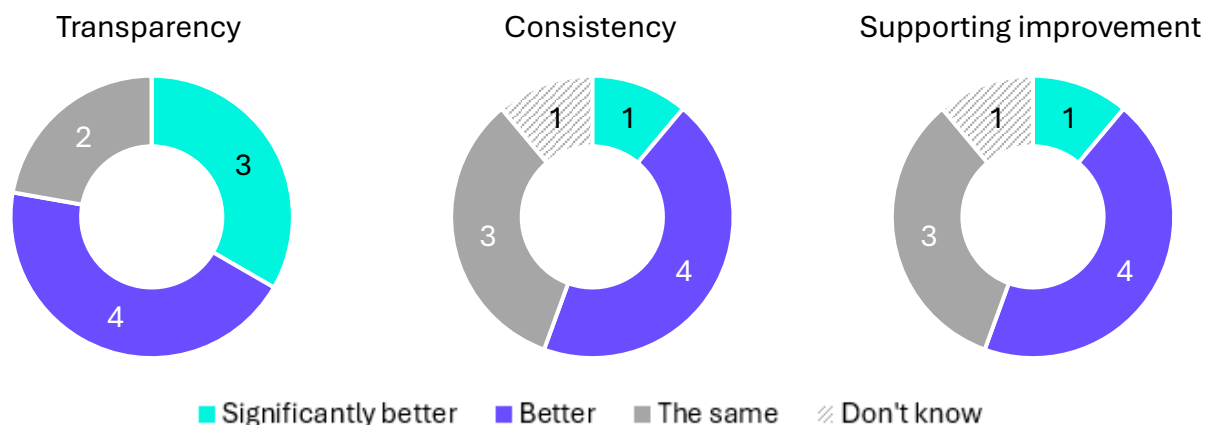
- 1.1. In 2023/24, we introduced a new approach to assessing regulators against Standard 3 of the Standards of Good Regulation. Our objectives were to:
- raise our expectations for meeting this Standard, which had been set at a relatively low bar when it was introduced in 2019
 - make our assessments more transparent and consistent, building on the improvements we made to our processes when we introduced our new approach to performance reviews from 2021/22
 - do more to support regulators to make further improvements.
- 1.2. In this paper, we evaluate the first year of this approach. More information about the changes we made to our approach to Standard 3 and the methodology for this evaluation is set out in the appendix.

2. Findings

Transparency, consistency and supporting improvement

- 2.1. In the survey we sent to regulators and decision-making panel members, we asked them how our new approach compared to the approach we had taken in previous years in terms of transparency, consistency and supporting improvement. Both groups provided positive responses to these questions, and we received no negative responses.

In terms of the following criteria, how did our approach to assessing Standard 3 in 2023/24 compare to previous years? (Regulators)



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- 2.2. The regulators scored ‘transparency’ most favourably, with seven out of eight reporting that this had improved with the new process.

“In previous years it was less clear how you applied the previous criteria to assess regulators on ED&I. We feel the evidence capturing and sharing of information has improved.”

“Recent reports have been helpful in understanding how Standard 3 has been assessed across regulators and illustrates, with greater clarity, how outcomes have been evaluated.”

- 2.3. Scores were slightly lower for ‘consistency’ and ‘supporting improvement’, but they were both still clearly net positive. Many of the regulators had not been through the whole process at the point the survey was launched in November 2024, at which point we had only published reports for four of the 10 regulators. There was therefore less information available to regulators regarding consistency and supporting improvement. Our work to support improvement goes beyond the published performance review reports and is still underway.

“We were particularly pleased to see good practice identified, beyond a straightforward description of actions taken. This was beneficial in our own report and in reading others. A convened discussion would be helpful, if the PSA took a structured approach and ensured that the examples discussed were ones that they had identified as good practice.”

“It would be helpful to understand where the regulators are succeeding and engaging in good practice, and also to understand where there are barriers across the sector and opportunities for improvement e.g. what trends are emerging.”

“The guidance and examples of best practice tend to be very focused on what other health regulators have done without looking more broadly.”

“For our own assessments we felt more could be done to highlight good practice. We would like to see you sharing more examples of good practice.”

“The indicators and evidence matrix have been instrumental in informing the organisations EDI strategy which is current subject to a public consultation. It has provided a clear focus for us in improving our EDI activities.”

Documentation and presentation

- 2.4. We also collected evidence about how well the new approach had worked in practical terms, with specific survey questions about the new evidence matrix, and how information was presented in the analysis document and published report. Regulators provided positive responses to those survey questions.

| In terms of the evidence matrix, to what extent do you agree that: | Strongly agree | Agree | Neutral | Don't know | Disagree | Strongly disagree |
|---|----------------|-------|---------|------------|----------|-------------------|
| All the relevant information had been captured under the appropriate indicators | 1 | 7 | 1 | 0 | 0 | 0 |
| The analysis and RAG ratings were supported by the evidence | 1 | 6 | 2 | 0 | 0 | 0 |
| The matrix was easy to understand | 1 | 6 | 2 | 0 | 0 | 0 |

| In terms of our provisional and final analysis documents, to what extent do you agree that: | Strongly agree | Agree | Neutral | Don't know | Disagree | Strongly disagree |
|---|----------------|-------|---------|------------|----------|-------------------|
| They accurately reflected the contents of the evidence matrix | 0 | 8 | 1 | 0 | 0 | 0 |
| The analysis against each outcome statement was supported by the evidence | 1 | 6 | 1 | 0 | 1 | 0 |

| In terms of the published performance review report, to what extent do you agree that the section on Standard 3: | Strongly agree | Agree | Neutral | Don't know | Disagree | Strongly disagree |
|--|----------------|-------|---------|------------|----------|-------------------|
| Accurately reflected the information previously shared with you | 1 | 6 | 0 | 2 | 0 | 0 |
| Was a fair reflection of performance against Standard 3 | 1 | 6 | 0 | 2 | 0 | 0 |

2.5. Comments from individual regulators provided further useful information about how the new approach had been received.

“We feel, overall, that the evidence matrix, with the supporting guidance document that the PSA provide is a much clearer method for its assessment to be presented in. We found the information clear as the issues were detailed and then the conclusions why the RAG rating was decided at the end of the summary in each was a useful way to conclude.”

“The matrix was clear and RAG ratings seemed to be supported by evidence. It could be made clearer how the ratings are used to make an overall judgement.”

“The analysis was robust and a fair reflection of our position. The matrix and the analysis document were both fine but the performance report did appear quite light compared to the amount of information we had provided, so that the report did not necessarily reflect all our work. This may have been because this was a monitoring year.”

“The analysis was correct so far as it relates to the information provided by us to the PSA. The analysis however did not contextualise sufficiently the challenges of evidencing analysis when a smaller organisation such as us will have lower activity level, for example, fewer consultations, less capacity to publish frequent guidance and longer periods of time required to trend and analyse performance on outcomes of complaints and FTP cases, from an EDI perspective. The time-based milestones may therefore take longer for a smaller organisation to evidence progress.”

Guidance and support

- 2.6. Regulators told us that they had received enough guidance and support and had been given enough time to provide information:

| In terms of the new approach as a whole, to what extent do you agree that: | Strongly agree | Agree | Neutral | Don't know | Disagree | Strongly disagree |
|--|----------------|-------|---------|------------|----------|-------------------|
| You were provided with enough guidance and support | 2 | 5 | 1 | 0 | 0 | 1 |
| You were given enough opportunities and time to provide relevant information | 3 | 4 | 2 | 0 | 0 | 0 |

- 2.7. Some regulators provided comments indicating a need for specific pieces of guidance tailored to their circumstances.

“I found it very useful to work closely with the PSA on this in order to share our own workings and ensure we met expectations. I found seeing the 'workings' of this from the PSA very useful.”

“We had a positive experience, with the PSA team reacting positively and fairly to amendments or clarifications that we suggested.”

“We have valued the regular meetings with the PSA to discuss our progress as a regulator. We have also found it helpful to explain context of our regulatory work, as this has a big impact in relation to how much progress we are able to make.”

“It may also be helpful to provide regulators with criteria as to how the decision is made as to whether an indicator is RAG rated.”

Proportionality

- 2.8. Regulators found the approach to be proportionate, although scores were slightly lower on this question and several regulators provided comments about the workload involved in providing the information required for the 2023/24 assessments. We asked regulators whether they would be in favour of us taking a similar approach to our assessment of other Standards; this was not supported, and the comments we received focused on the resource implications of extending such an approach. We have fed these comments into our current Standards review work. These points were consistent with feedback from staff in the performance review team regarding the time spent collecting and analysing evidence.

| | Strongly agree | Agree | Neutral | Don't know | Disagree | Strongly disagree |
|---|----------------|-------|---------|------------|----------|-------------------|
| In terms of the new approach as a whole, to what extent do you agree that it was proportionate? | 1 | 7 | 1 | 0 | 0 | 0 |
| Would you be in favour of us using a similar approach (indicators and/or outcome statements) for our assessments against any other Standards? | 1 | 1 | 3 | 0 | 3 | 1 |

“Providing evidence against the matrix was heavily resource intensive, but we appreciate this was necessary for the introduction of the new evidence criteria and we hope this will lessen now that the foundational knowledge has been established.”

“...we do find this to be the most helpful standard of all the standards for good regulation, and the one that provides the most accurate and proportionate assessment of performance.”

3. Conclusions and next steps

- 3.1. From the evidence we have collected, we are satisfied that the new approach to assessing regulators against Standard 3 has led to tangible improvements against the three key objectives of improving transparency and consistency and supporting improvement. We recognise that our new approach has involved additional workload for both the regulators and PSA staff; while we will look for ways to make the process less burdensome in years two and three, we consider it remains a proportionate approach in terms of the broader objective to improve public protection for all.
- 3.2. We have already started to make use of the feedback we have received during this evaluation process:
 - In March 2025 we published an updated **Standard 3 guidance document**, including a new section explaining our approach to the RAG ratings used in our **evidence matrix**.
 - We have started the 2024/25 cycle of performance reviews using the evidence set out in the 2023/24 evidence matrices as our starting point. By focusing on activities and developments since 2023/24 we hope that the process will be less resource-intensive for regulators and staff.
 - We have taken note of the comments we received from regulators for our **review of the Standards of Good Regulation** – particularly regarding whether a similar approach could be used to assess other Standards in future, notably in terms of proportionality and workload.
 - Acting on feedback from regulators, we are producing a good practice paper to expand on what we found in our 2023/24 performance reviews – particularly to understand more about how regulators implemented specific actions, overcame any barriers and what lessons they learned. We intend to discuss this with regulators and encourage further learning.
- 3.3. We continue to welcome further feedback about our approach to assessing regulators against Standard 3.

Appendix

Our new approach to Standard 3

In May 2023, we set out our new approach to assessing regulators against Standard 3:

- We would use a new evidence matrix to collate evidence against a number of indicators, organised under four outcome statements. Most of those indicators were applicable from the first year of assessment (2023/24), while others would not apply until 2025/26 because we recognised that some would take longer to deliver.
- Rather than assess performance over the year as a whole (as we do with other Standards) we would assess performance against Standard 3 in terms of a regulator's position at the end of each review period.
- We would take into account each regulator's position in the cycle of our performance reviews because some would have more time than others before their 2023/24 assessment under the new approach.

In other respects, our approach for Standard 3 would be consistent to the way we assessed regulators against our other Standards. For example, we would take into account plans in place as well as actions already delivered, and we would reflect specific circumstances affecting individual regulators, such as those caused by differences in legislation, size or source of referrals. Further information about our approach was set out in published guidance.

Methodology for this evaluation

For this evaluation, we wanted to find out how successful our new approach had been in meeting the three main objectives underpinning our new approach: transparency, consistency and supporting improvement. We also wanted to know what regulators and colleagues thought about the process itself, and whether it had been proportionate. We collected evidence from three key sources:

Regulators

We sent the regulators a survey in November 2024 and received responses from nine of them. We recognised that, at this point in the performance review cycle, most of them would not have experienced all elements of the new approach to Standard 3 assessments. However, we decided to conduct the survey at this point to identify any significant issues that might require more time to address before the 2024/25 assessments began.

We also used our regular engagement meetings with the regulators to discuss our new approach; this information was discussed at performance review team meetings and was consistent with the results of the survey.

Performance review team

We used two team meetings in December 2024 and January 2025 to reflect on the first year of our new approach and also to discuss the results of the survey of regulators.

Decision-making panel members

In March 2025, we sent a survey to PSA colleagues who acted as panel members on our decision-making panels for performance reviews in 2023/24. This used most of the same survey questions as had been used in the survey of regulators. We received responses from three panel members who, collectively, participated in every panel meeting during the 2023/24 round of performance reviews.