



Foreign, Commonwealth
& Development Office

Gender Pay Gap Report 2022

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Executive Summary

This report details the Foreign, Commonwealth and Development Office (FCDO) Gender Pay Gap which is defined as the difference between the average hourly pay of men and women.

Our key findings show that:

- » There has been an overall reduction since 2021 in the mean and median ordinary pay gap, as well as the mean and median bonus pay gap.
- » Analysis of the mean ordinary pay gap shows that lower female representation at higher paid senior grades is the main contributing factor.
- » The report reveals that there has been a decrease in both the mean and the median bonus gender pay gap this year. There are several factors that contribute to this including lower female representation as the FCDO has a high proportion of women in junior roles, which attract lower bonus values, the latter of which applies to legacy FCO only; and the composition of both FCDO and FCDO Services, our Trading Fund, as well as the different use of bonuses across the two Departments. In addition, differing approaches and processes to bonuses following the Foreign and Commonwealth Office (FCO) and the Department for International Development (DFID) merger in September 2020 also contribute to the pay gap.

The report outlines a number of actions that could further help reduce the mean and median gender pay gap in the future, particularly from April 2023 onwards. Everything we do is designed to consider the implications and impacts to all our staff, irrespective of gender or personal circumstances, including the use of Equality Impact Analyses.

1. Introduction

In 2017, the Government introduced world-leading legislation that made it statutory for organisations with 250 or more employees to report annually on their gender pay gap. Government departments are covered by the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017, which came into force on 31 March 2017. These regulations underpin the Public Sector Equality Duty and require relevant organisations to publish their gender pay gap by 30 March annually. This includes the mean and median gender pay gaps; the mean and median gender bonus gaps; the proportion of men and women who received bonuses; and the proportions of male and female employees in each pay quartile.

This report fulfils the department's reporting requirements, analyses the figures in more detail, sets out our progress to date and what we are doing to close the gender pay gap in our organisation.

The reporting period is 1 April 2021 to 31 March 2022.

Organisational context

This Gender Pay Gap Report is the second report for the FCDO, which was formed by the merger on 2 September 2020 of the DFID and FCO. The report contains data for all FCDO employees and also employees from our Trading Fund (FCDO Services) and Executive Agency (Wilton Park), unless stated otherwise.

The creation of the FCDO was designed to align the UK's international efforts and maximise our influence as a global force for good. The FCDO promotes the interests of British citizens, safeguards the UK's security, defends our values, reduces poverty and tackles global challenges with our international partners.

Our pay approach is designed to reward all of our staff regardless of gender for their contribution to the FCDO's, and the wider UK Government's, ambitions. Transparency and accountability is key to enable us to demonstrate our commitment to equality, attracting talent and boosting staff engagement.

2. Gender Pay Gap Report

The gender pay gap shows the difference in the average pay between all men and women in a workforce. If a workforce has a particularly high gender pay gap, the individual calculations can help to identify what action may contribute to closing the gender pay gap.

The gender pay gap is different to equal pay. Equal pay deals with the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value. It is unlawful

to pay people unequally because they are a man or a woman.

Under Gender Pay Gap reporting, we are required to report on the difference between men and women who work in the FCDO in relation to:

- » mean hourly rate of pay
- » median hourly rate of pay
- » mean bonus paid
- » median bonus paid

The proportions of:

- » men and women who were paid a bonus
- » men and women in the 1st (lower) quartile, 2nd, 3rd, and 4th (upper) quartile pay bands

FCDO data has been calculated according to the requirements of the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.

FCDO Headline Figures

Department	Mean GPG	Median GPG	Mean Bonus GPG	Median Bonus GPG
FCDO	6.4%	12.4%	12.9%	6.7%
FCDO Services	6.0%	15.4%	5.9%	1.9%
Wilton Park	-10.2%	-1.0%
All employees	4.7%	9.1%	20.3%	22.2%

Gender Pay and Bonus Pay Gap—Headline Figures

Mean Ordinary Pay Gap Data 2019-2022:

Department	2019	2020	2021	2022
FCO	8.3%	6.5%		
DFID	7.2%	5.9%		
FCDO			5.0%	4.7%

Median Ordinary Pay Gap Data 2019-2022:

Department	2019	2020	2021	2022
FCO	10.1%	8.6%		
DFID	8.4%	5.6%		
FCDO			9.8%	9.1%

Mean Bonus Pay Gap Data 2019-2022:

Department	2019	2020	2021	2022
FCO	9.4%	13.9%		
DFID	3.0%	4.0%		
FCDO			23.6%	20.3%

Median Bonus Pay Gap Data 2019-2022:

Department	2019	2020	2021	2022
FCO	0.0%	10.6%		
DFID	0.0%	0.0%		
FCDO			25.4%	22.2%

Percentage of Men and Women Receiving a Bonus

Reporting organisation(s)	Percentage of individuals receiving a bonus	
	Men	Women
FCDO	51.5%	52.5%
FCDO Services	90.3%	--*
Wilton Park	--*	--*

*confidential and suppressed due to the headcount of relevant staff that did not receive a bonus throughout the year being between 1 and 29.

Distribution of Women Through Each Pay Quartile

Reporting organisation(s)	Percentage of women in each pay quartile			
	Lower	Lower middle	Upper middle	Upper
FCDO	55.6%	53.3%	51.1%	44.8%
FCDO Services	33.7%	33.6%	21.1%	25.5%
Wilton Park	--*	--*	--*	--*

*confidential and suppressed due to the headcount of relevant staff that did not receive a bonus throughout the year being between 1 and 29.

Workforce Analysis (FCDO Excluding Agencies)

Grade (decreasing seniority)*	% of total male workforce	% of total female workforce	% of grade who are female
SCS	4.35%	3.22%	42.50%
Grade 6/7	21.24%	21.10%	49.83%
SEO/HEO	17.31%	18.27%	51.35%
EO	3.41%	5.54%	61.90%
AA/AO	2.05%	3.12%	60.40%

*see figure 4 for grade nomenclature

Figure 1 shows the distribution of men and women across each grade for FCDO only. There are proportionately less women at the senior grades. At EO and AO/AA the percentage of women is greater showing that the FCDO has a high proportion of women in junior roles.

Figure 1: Workforce Analysis by Grade (Excluding Agencies)

Grade (decreasing seniority)	% of grade who are female
SCS	42.5%
Grade 6	46.3%
Grade 7	51.7%
SEO	50.5%
HEO	51.7%
EO	61.9%
AA/AO	60.4%

3. Analysis of Pay Gap

The FCDO currently operates several different pay structures and policies, due to the merger. The FCDO made progress in reducing the gender pay gap and will endeavour to continue to do so as part of the FCDO alignment of Terms and Conditions.

The FCDO mean pay gap has marginally reduced from 5.0% to 4.7%. This represents a decrease of 0.3 percentage points from 2021. The median pay gap has also seen a reduction to 9.1%. This represents a reduction of 0.7 percentage points from 2021.

The FCDO gender pay gap is influenced mainly by the gender imbalance across grades. There are proportionately less females at the highest grades (G6 and SCS) and more at lowest grades (AO and EO). This is also supported by the fact that both the mean and median GPG are lower within each grade than for FCDO overall. The FCDO continues to improve female representation with women now making up over 34% of all Heads of Missions and 42.5% of all senior civil servant roles.

Figure 2: Percentage of Male and Female Employees at Each Grade—March 2022

Grade (increasing seniority)*	% Female	% Male
AO	53.9%	46.1%
EO	57.0%	43.0%
HEO	48.7%	51.3%
SEO	43.9%	56.1%
G7	49.6%	50.4%
G6	45.6%	54.4%
SCS	42.1%	57.9%
All grades	48.8%	51.2%

Pay Quartiles

Figure 3: Percentage of Female and Male Employees In Each Pay Quartile

Quartile	% Female	% Male
Lowest	53.7%	46.3%
Lower-middle	47.7%	52.3%
Higher-middle	48.2%	51.8%
Highest	44.7%	55.3%

4. Analysis of the Bonus Gap

Overall the mean bonus gap saw a decrease from 23.3% to 20.3% in 2022. The 3 percentage point reduction in the mean bonus gap is positive. The median bonus gap is 22.2%. This represents a 3.2 percentage point reduction since 2021.

The bonus pay gap is driven in part by the different bonus processes in place following the FCO and DFID merger in September 2020. The bonuses for legacy FCO and FCO Services staff are end-year bonuses and relate to the 2020 to 21 appraisal period. Additionally, legacy FCO Services operate a flat rate corporate bonus for satisfactory performance by staff. Bonuses awarded to legacy DFID staff are paid in-year, are generally for smaller amounts, and relate to the 2021 to 22 appraisal period. FCO end of year awards are paid pro-rata and are grade-specific values (lower values for lower grade) whereas the majority DFID In-Year awards are standard values irrespective of grade.

The FCDO has a high proportion of women in junior roles, which attract lower bonus values for legacy FCO end of year awards. Conversely, there are a higher proportion of men in senior grades where bonus values are greater.

For FCDO employees who are from legacy FCO, the process for awarding bonuses is such that bonuses at junior grades are significantly

less than the bonus amount awarded at senior grades. Therefore, given the gender balance at junior and senior grades, this approach has the effect of increasing the bonus gap in favour of men overall.

Between 2021 and 2022 FCDO Services improved both their mean and median bonus gap figures. However, the fact that FCDO Services employ a higher proportion of male employees than female, particularly in higher paid senior and technical roles, combined with the different bonus processes, means it has a strong influence on the overall FCDO bonus gap numbers.

5. Targeted Action to Reduce and Close the Gender Pay Gap

The FCDO is committed to closing the gender pay gap. Our gender pay gap is, in part, a reflection of the current structure of the FCDO workforce, with proportionately more men than women at senior grades, and proportionately more women than men at junior grades. It is also due to legacy FCO and DFID performance management and reward arrangements, which were different from each other. A key objective of the FCDO is to reduce the gap between the grade distributions of men and women and ensure that our aligned policies both support and promote greater gender equity. Work is already underway to tackle representation in the senior grades. More broadly, the FCDO is committed to broadening representation for under-represented groups, including women, and building an inclusive workplace to attract, engage, develop and retain talented, diverse staff.

Supporting Diverse Talent, Including More Women at Senior Grades

Supporting talent from all backgrounds is a priority for the FCDO. The FCDO is committed to making the most of the diversity of all its staff

and enabling everyone to feel valued for who they are and what they bring to the organisation. The FCDO provides targeted developmental opportunities where there is evidence of under-representation within the protected groups. Increasing the number of women in the SCS is a priority.

We aim to continue developing diversity and the progression of women to SCS within the pipeline by:

- » examining and revising where necessary internal and external recruitment processes to ensure conditions where all staff are able to realise their ambition and achieve their potential
- » ensuring that inclusion remains at the forefront of future talent processes for the FCDO and to continue to be guided by the data to evaluate processes
- » continuing to encourage and support a fully diverse and inclusive participation in in-house and wider CS Talent Schemes, and
- » monitoring and tracking the impact of schemes on delivering diverse and inclusive outcomes in terms of career progression.

Developing a more diverse pipeline into the SCS, and increasing female representation in senior roles, will make a significant difference reducing the gender pay and bonus gap.

Terms and Conditions Alignment

The department is working to align its pay, reward and allowances offer to staff across its legacy workforces to enable the FCDO to be even more agile and capable, retaining one of the largest overseas diplomatic networks and with a workforce which meets the diplomacy and development challenges of the modern world. We will ensure proposals to align across the package have a positive impact. Our future work on gender pay gap reporting is central to this work.

New Approach to Performance and Development

The FCDO implemented a new performance and development approach in July 2022 for all FCDO staff in the delegated grades (Figure 4 grading nomenclature) and adopted the Civil Service-wide performance management approach for all Senior Civil Servants (SCS) in the FCDO. We will ensure that the new approach is adopted across the organisation and monitor the diversity outcomes of performance ratings.

Figure 4: FCDO Grading Nomenclature

Groups	FCDO Grade	FCO Grade	DFID Grade
Senior Civil Service	SCS 1-4	Senior Management Structure (SMS 1-4)	46.1% Senior Civil Service (SCS)
	Grade 6	D7	A1
	Grade 7	D6	A2
	Senior Executive Officer	C5	A2 (L)
Delegated Grades	Higher Executive Officer	C4	B1
	Executive Officer	B3	B2
	Administrative Officer	A2	C1
	Administrative Assistant	A1	C2

Recruitment

We aim to recruit a talented and diverse workforce which reflects the society we serve and have been successful at diverse recruitment at the junior grades. Our recruitment approach recognises the need to minimise the barriers to women progressing and developing in their careers. We have also implemented a range of positive actions

including a focus on diversity in advertising, workforce ambitions, anonymised recruitment and diverse selection panels. We also offer flexible working arrangements as a default in job adverts. Hiring managers need to justify any opt out from offering a range of flexible working options.

Inclusive Culture

The FCDO is committed to putting inclusion at the heart of everything we do and this means integrating inclusion into our organisational culture. The FCDO continues to foster a cultural and environmental feeling of wellbeing. Members of the workplace feel appreciated and recognised for their unique characteristics and feel comfortable to share ideas and be their most authentic self that can best fulfil their potential. Our inclusive culture indicates a climate in which respect, equality and positive recognition of differences are all cultivated and the barriers that exclude people are eliminated. Equality Impact Analyses are being used to understand and assess how changes to people policies may affect colleagues and how we put in place robust monitoring and evaluation mechanisms. This will encourage new policies to drive closure of the gender pay gap.

FCDO's Staff Networks

The FCDO has 13 staff networks which continue to play a vital role in delivering inclusion for all our employees. The value of the networks is recognised in the FCDO and we encourage those who play key roles in networks to include this as part of their performance objectives. The FCDO Board consults with staff networks to understand and address issues faced by different groups of staff. As part of this collaboration, Board-level Champions provide staff networks with coaching, strategic direction and senior advocacy. Among the Board-level Champions key roles are those for inclusion and belonging, and for tackling bullying, harassment and discrimination.

6. Declaration

We confirm that data reported by the Foreign, Commonwealth and Development Office is accurate and has been calculated according to the requirements and methodology set out in the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017

Name/job title of Signature:

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